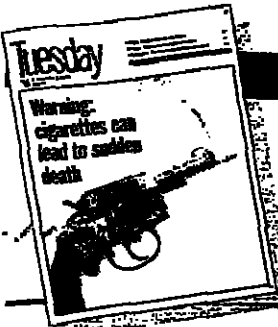




THE INDEPENDENT



2,985

TUESDAY 14 MAY 1996

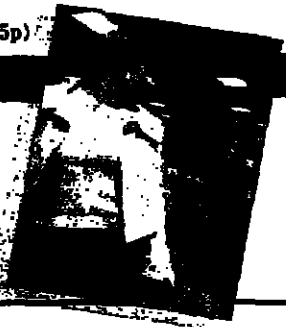
40p (IR 45p)

INSIDE TODAY'S SECTION TWO

The billion-dollar cigarette gangs
Smugglers and their deadly scam

When should a child be used as a donor?
Health: the parents' dilemma

High fashion, low prices
Designer label discount stores hit Britain

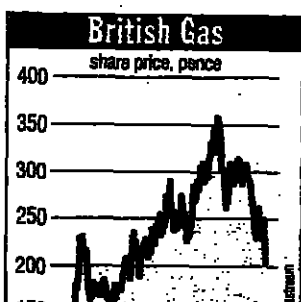


Tell Sid: the shareholder dream is over

Fears for rail and nuclear sell-offs as regulator's curbs hit gas shares

MICHAEL HARRISON
Deputy Business and City Editor

A fresh shadow was cast over the sell-offs of the rail and nuclear industries last night after Gas accused its regulator of a "smash and grab" that would rob its 1.7 million shareholders of an unprecedented



as they prepared to send of their cheques for Railtrack in the last week.

By last Friday about 200,000 small investors had applied for Railtrack shares with a last-minute rush expected in the final few days before applications close.

The huge gulf between British Gas and its regulator means that dispute is almost certain to be sent off to the Monopolies and Mergers Commission for an inquiry lasting at least six months.

This could cast doubt over the planned demerger of British Gas into two separately quoted companies - TransCo International and British Gas Energy - and the introduction of full competition for 19 million domestic gas consumers in 1998.

Mr Rogerson said an MMC referral was "highly probable" as it could not accept Ofgas's proposal as they stood. "If implemented, the proposals would represent the seizure of shareholders' income on an unprecedented scale and would undermine confidence in the whole regulatory system," said British Gas.

The company estimated that the new formula for capping TransCo's charges for five years from next April could reduce revenues by some £650m to £850m a year from next April and force it to reduce TransCo's 20,000 workforce by up to a half.

But Ms Spottiswoode dismissed British Gas's claims saying the new price controls could be met by a 4 per cent productivity gain a year and putting the potential number of job losses at nearer 5 per cent of the workforce or 1,000. "The proposed targets are challenging but in our view achievable," she added. "They represent a fair balance between the interests of customers and the interests of shareholders."

more close for the £1.8bn stake flotation and just as the market is beginning to turn down to the £2.6bn sale of British Energy in July.

Last night Labour seized on the claim that it had been sold back by a week so as not to encourage private investors from buying shares in Railtrack.

Brian Wilson, the party's transport spokesman, said: "This is a warning of what regulatory intervention can do to benefit the consumer rather than the shareholder. Ministers would not want such a message to emerge at the most sensitive moment in the Railtrack sell-off."

Ofgas denied, however, that there was anything sinister about the delay, saying that it had been caused by a hold-up at the printers.

Mr Wilson said that it appeared the Government had been fearful of the British Gas upheaval influencing investors

Teachers wrangle as boy is barred from class



Time out: Graham Cram waiting with his father, Peter, in the entrance lobby of Hebburn school yesterday as teachers, local authority officials and governors discussed whether he should be allowed to rejoin classes. Below: Headteacher Madeline Watson arriving at the school with a police escort

JUDITH JUDD and FRAN ABRAMS

Strike action by teachers over a disruptive boy at a South Tyneside school was temporarily averted yesterday when leaders of the National Association of Schoolmasters' Union of Women Teachers, local authority officials and school governors agreed that a 13-year-old pupil should continue to stay out of classes. Instead he is to receive one-to-one teaching at the school.

However other teachers' unions suggested that the dispute over Graham Cram had more to do with a membership battle than with the educational needs of the other children at Hebburn school.

South Tyneside council said the agreement was an interim one until the school's governors met to decide his future.

Union leaders said they would ballot their members on strike action again as a precautionary measure. The time limit for action under the previous strike ballot has expired. Teachers have threatened to



go on strike if they have to teach Graham. He was excluded last July after he allegedly assaulted a teacher but this was overturned when his parents went to an appeals panel.

Graham spent yesterday at school for the first time in 10 months. He was taught both alone and with several other pupils by supply teachers, the headteacher, Madeline Watson, and the deputy head. However, he joined the rest of the school for lunch and at playtime. Nigel de Gruchy, general

secretary of the NASUWT, said: "We have struck a blow for the maintenance of good order and defending teachers against violence in schools."

Last month, the union forced the parents of Richard Wilding, another disruptive boy, to back down and agree that their son should be taken out of normal classes.

But yesterday other teachers' unions suggested that the NASUWT's high profile anti-violence campaign was part of a membership drive. "Why

threaten to disrupt the education of every other child in the school when all you have to do is to refuse to teach that child? The union is trying to show its macho image," said one union source who did not want to be named.

A spokesman for the Association of Teachers and Lecturers said its own push for new subscriptions was more straightforward - it has just launched a site on the Internet.

Mr de Gruchy said that there had been disciplinary problems with Graham since he was at primary school. Last July, he added, Graham was leaving assembly when he fell over. He allegedly kicked and punched a teacher who, fearing he might be trampled, tried to rescue him.

Eamonn O'Kane, of the NASUWT, said the two inci-

idents had arisen because parents had been determined to press their cases. "It is not a deviant plan," he said.

David Lamb, the Cram family's solicitor, said the family were glad Graham was now able to take up a full timetable again though they wanted him to go back into lessons eventually. "His needs are presently being met and that is great news, though it ought not to continue indefinitely," he said.

Parents and relatives have assaulted teachers in nearly one school in seven, according to a survey of 2,000 schools published yesterday.

In one in five schools, parents and older brothers or older pupils from neighbouring schools have attacked pupils. In one in 10 schools intruders have assaulted staff.

Passive smoking 'does not cause cancer'

ER

g does not cause cancer, a group of scientists said yesterday after all the epidemiological studies which have been worldwide.

Report, which contradicts previous findings, was attacked by anti-smoking campaigners and charities who described the report as "appalling" and noted it was funded by three big companies.

Passive smoking has been a fiercely contested issue in recent years. In 1992 the US Environmental Protection Agency classed Environmental Tobacco Smoke as a class-A carcinogen, estimating it caused 3,000 deaths a year. Many public areas, such as restaurants, airports and railways, have banned smoking.

Although no case linking passive smoking and lung cancer has been won in Britain, last year Beryl Roe and Veronica Bland, employed by Stockport

Council, won £25,000 and £15,000 for bronchial illnesses caused by passive smoking.

The European Working Group on Environmental Tobacco Smoke and Lung Cancer, analysed all 48 epidemiological studies on ETS and cancer published to date and measured exposure to ETS. They did not look at links to diseases such as bronchitis and emphysema.

"They concluded that the relative risk of those who lived with a smoker contracting the disease was 'statistically insignificant'."

Professor Jeffrey Idle, chairman of the European Working Group, said when the group evaluated the spousal studies [mostly among non-smoking women living with men who smoke] the group concluded there was a relative risk of 1.01, where 1.0 means a zero increase in risk. In studies on workplace smoking, the group put the relative risk at 1.04.

"Relative risks of 1.01 and 1.04 are virtually meaningless in scientific terms," Professor Idle said.

Dr Richard Springall, an independent consultant in statistics, said past studies failed to account for biases in the data.

The group was commissioned by three tobacco companies, Philip Morris Europe SA, British-American Tobacco Limited and Rothmans International. Professor Idle said the scientists had conducted the study on condition their work remained free of interference.

"It is the judgement of the Working Group that environmental tobacco smoke is not a

primary lung carcinogen," said Professor Idle, who is a smoker.

But Richard Peto, Imperial Cancer Research Fund professor of medical statistics said: "Cigarette smoke is such a potent cause of human cancer that it cannot be argued that passive smoking is harmless."

A spokeswoman for ASH (Action on Smoking and Health) said the report was "appalling". "This study is funded by the tobacco industry and therefore we're not surprised by these findings."

N BRIEF

Too little too late?

Government was accused of being "too little too late" to reform Britain's children's homes yesterday, as plans emerged of a campaign to give them a more positive image. Page 5

Today's weather

Mainly dry and cloudy with some sun. Section Two, page 25



Secrets revealed of canines on the couch

NICHOLAS SCHOON

The innermost secrets of man's best friend are laid bare this week by research resembling the veterinary equivalent of the psychiatrist's couch.

In one of the most comprehensive assessments of canine character ever undertaken, vets were asked by researchers at Southampton University's Anthrozoology Institute to judge the behavioural traits of the 49 most popular breeds in Britain.

Greyhounds, whippets, beagles and English pointers emerge as the most placid - exhibiting "low aggressiveness, low re-

activity and low immaturity". At the other end of the scale is a group of notorious little snappers which show "high aggressiveness and immaturity", including Jack Russells, corgis, cocker spaniels and border collies.

The researchers - whose findings are published in *Veterinary Record* - questioned 112 vets and 56 "dog-care professionals".

Respondents were asked to rank the breeds on the basis of 13 characteristics, including the degree of sociability, propensity to snap, playfulness, laziness, submissiveness, and demands for affection. It was found that the breeds could be divided into

eight groups on the basis of three factors - aggressivity (territoriality, attitude to other dogs etc), reactivity (excitability, snapping at children, excessive barking) and immaturity (playfulness, destructiveness etc).

The same differences between the sexes emerged across all the breeds, with females ranked as easier to train and desiring more affection than males.

"I'm loathe to say any breed of dog is ideal," said the institute's director, Dr John Bradshaw. "One person's boring dog is another's perfect dog. Good family dogs like the golden retriever which were affec-

tionate and low in aggression also tended to be highly immature - with a tendency to whine, bark and destroy things if left at home alone. "Border collies have very high reactivity because they were bred to work hard," he said. "It's not surprising you find large numbers turning up in behaviour clinics - they're not suited for a very urban life."

Dr Bradshaw said that while there were big differences between breeds, owners' behaviour was just as important in determining a dog's character. "The first 14 weeks are crucial. You can easily turn a golden retriever into a very nasty dog."



WITH RATES
FROM 13.5% APR
ALL YOUR
DREAMS
CAN COME TRUE.

ABBEYLOAN. THE FAST,
AFFORDABLE PERSONAL LOAN.

Why just dream of a new car or an amazing holiday? Treat yourself to a little

Abbeyness by simply

calling us on:

0345 54 55 56

Please quote reference 7095.



Opening hours Monday - Friday 9.00am - 4.00pm, Saturday 9.00am - 4.00pm. For your security and to assist us in improving our service to you we may record or monitor all calls to Abbey National Direct. Customers who do not satisfy our normal credit scoring criteria may be offered a loan at an APR of up to 9% higher than the rates shown. The rate of 13.5% APR applies to loans over £10,000 and prior to the promotion was 15.4% APR. Rates applicable until 31.5.96. All rates are typical. Abbey National reserves the right to refuse an application for a loan for certain purposes. Please do not enter into a credit agreement unless you can afford the repayments. Loans are subject to status and not available to persons under 18 years. Written quotations available on request. Abbey National and the Umbrella logo are trademarks of Abbey National plc, Abbey House, Baker Street, London NW1 6XL.

section ONE

BUSINESS 16-20 COMMENT 14,15 CROSSWORD 24 GAZETTE 12
LEADING ARTICLES 14 LETTERS 14 NEWS ANALYSIS 13
OBITUARIES 12 SHARES 20 SPORT 21-24 UNIT TRUSTS 19

section TWO

ARTS 9-13 CHESS 23 CROSSWORD 26 FASHION 14,15
HEALTH 6-8 LISTINGS 24,25 LIVING 4,5
MEDIA 16-20 RADIO 27 TELEVISION 28 WEATHER 25

When one's crowning glory becomes a defoliating dome

no strategy at all, their bare patches growing at random, like holes in a neglected lawn. They thus declare their unworldliness and lack of vanity to those who watch them. Many are intellectuals.

Others do little more than alter their partings, combing

leagues - inked beyond endurance by his air of superiority - had finally got him.

On my way out I overheard Michael Fabricant (unpolished) remind Jeremy Kopley (hairy, Overseas Aid minister), of the good work done by Severn Trent Water in the Third World.

The company - which recently advised its customers to conserve water by paving over their lawns - had, according to Mr Fabricant, "adopted Ethiopia". Was this, I wondered, the apotheosis of Fabricant - an open space the size of Europe entirely covered with an artificial substance?

Richard and Judy give OJ another trial

PAUL FIELD

It had been expected to be a lightweight affair, giving OJ Simpson free rein to talk of his life after the American trial of the century, but his live ITV interview with Richard Madeley and Judy Finnigan last night pulled few punches.

Within minutes of going on air, the former American football star admitted he had been on the verge of suicide after the killing of his ex-wife Nicole, claiming he sped away from police in his Bronco because he was hurt by the suspicion he murdered her.

Clearly surprised at the robust questioning from the husband and wife chat show hosts, he said: "Essentially I was being attacked for the first time in my life."

"I wasn't used to it. I was hurt. I was in a lot of pain and I just wanted the pain to stop. I turned to a friend and said: 'Take me to Nicole's grave.' When we got there the police had it cordoned off so we couldn't get in."

Asked why he thought people still considered him guilty of the murders of his ex-wife and her friend, Ron Goldman, despite his acquittal, he said: "I can't really blame them. If I was exposed to what they were, daily, after I had been to work, I would have thought the same."

He said he had seen the television coverage during the trial, but when he saw the daily reports, he said he would ask himself: "Were they in the same court room?"

He was then questioned about a note he had left, saying: "Don't feel sorry for me, I have had a great life."

Mr Madeley asked if this had been a suicide note. "For the first time in my life I was suffering some despair," he said.

Mr Simpson looked uncomfortable in his first British television appearance since he was cleared of the double murder. He appeared angry when his interviewers insisted he answer their direct questions.

He said his children were unaware of what had happened when he first learned that his wife was dead.

Before the interview Mr Simpson looked slightly less ill at ease as he stood in front of massed ranks of reporters and photographers. He had flown by private jet from Heathrow to Manchester, arriving at the Granada studios at 3.30pm. He said he had not been told of any questions in advance which was borne out in the programme.

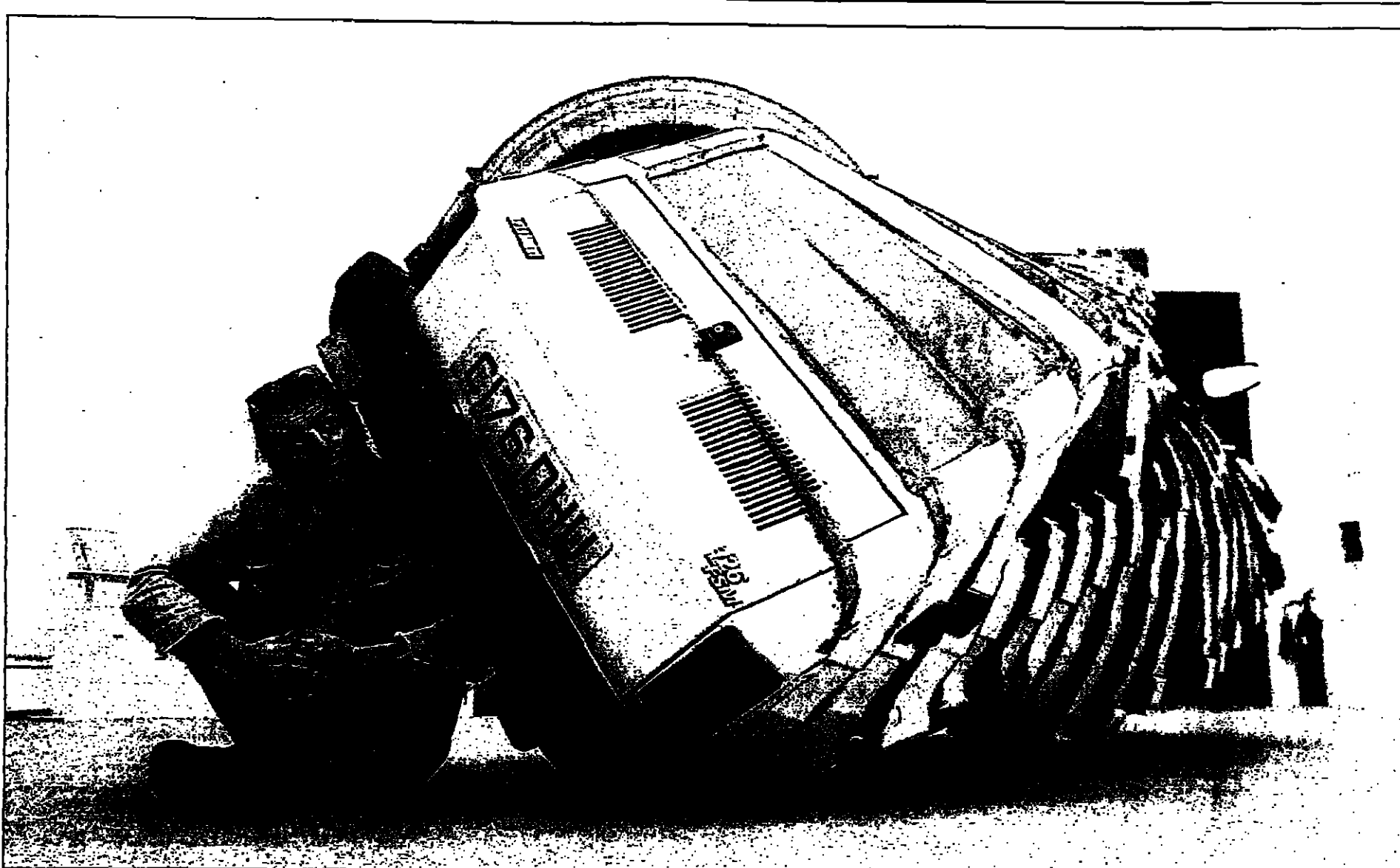
In an interview with the black newspaper *The Voice*, published today, Mr Simpson admitted his famous trial had left him "flat broke and in debt".

However he denied he was profiteering from his lengthy court appearance by taking in a media tour of Britain, which moves to Oxford this evening when he will address the Union.

"I haven't profited from this terrible incident. Before this my life was very comfortable. Right now I have no financial security." At one time it was estimated the American football and movie star had a fortune of nearly £7m but since the trial his earnings have plummeted.



OJ Simpson: Hurt by the allegations of murder



Slice of life: Peter Mountain with one of the sculptures he is exhibiting at Worcester Museum. 'I work intuitively and deal in shapes and form' Photograph: Dan Chung/Newstream

Sculptor at cutting edge of auto-art

An artistic slice of life or another dent in the tarnished image of the car? Whichever, sculptor Peter Mountain believes the trusty Fiat 126 provides the perfect vehicle for his work, writes Richard Smith.

Two of his cars, each chopped into 23 segments and welded back together, are on show at an exhibition - "Dissecting the Dream" - in Worcester Museum.

But for 39-year-old Mr Mountain, from Bristol, this is only the beginning - he intends to explore the theme further by creating another 18 Fiat 126 sculptures from the eight cars that he has rescued from scrap.

"I'm pretending to be a living computer," said Mr Mountain. "I'm manipulating images in real life that a computer can change on a screen... I work intuitively and deal in shapes and form. I'm not here to make a political statement about the car. I'm here to make something visually challenging and the car is a strong object - it's perfect for what I want to do."

Sara Thornton was 'killer, liar and alcoholic'

WILL BENNETT

Sara Thornton, who stabbed her violent, drunken husband to death as he lay in an alcoholic stupor, was a "pathological liar" motivated by financial greed, it was alleged yesterday.

As the prosecution described the killing, Mrs Thornton broke down in the dock at Oxford Crown Court and sobbed: "Please take me home." The hearing was temporarily adjourned while she recovered her composure.

Mrs Thornton, 41, is on trial for the second time accused of the murder of her husband, Malcolm, at the couple's home in Atherstone, Warwickshire, in 1989.

Mr Justice Scott Baker, the judge, told the jury of eight men and four women, that the retrial had been ordered by the Court of Appeal. He said that they must reach their verdict on the evidence put before them alone.

Brian Escott QC, for the prosecution, said that Mr and Mrs Thornton met in 1987 when he was 42 and she was 10 years younger.

They were both heavy drinkers and alcohol was to play an important part in the case.

He continued: "She possessed a further factor, another degree to the dangerous cocktail of their relationship. This was a personality disorder which was only identified by doctors after the death of her husband."

"The effect of it was to make her compulsively attention-seeking. One of the ways she did that was to shock people by what she said, what she did, how she dressed and how she undressed."

"It is an unhappy aspect of her personality that she frequently tends to tell people what she wants them to hear regardless of the reality. Another cruel way of putting it is that she is, in truth, a pathological liar."

Mrs Thornton was sacked from a tele-sales job for drinking and her husband's alcoholism became steadily worse and he began to hit her. He spent a month in a drying-out



Sara Thornton: She broke down in court on the first day of second trial for murder of her drunken husband

clinic, but was back drinking soon afterwards.

In 1989, Mr Thornton lost his licence for drink-driving and had to resign from his job as a security officer. He was arrested for being drunk and disorderly and later punched Mrs Thornton in the face during a row.

Mr Escott QC said that after one episode of Mr Thornton's heavy drinking his wife was told by Helen Thomas, a work-

mate, "you have got to sort this out".

Mrs Thornton replied: "The only way to sort this out is to kill him."

On the 13 June, 1989, after spending two nights elsewhere, Mr Thornton returned home and by the evening was sprawled out on the sofa in a drunken stupor. His wife and his son, Martin, who was living with them, decided to go out to a pub.

Before they went out, Mrs Thornton wrote "Bastard Thornton, I hate you," in

lipstick on a mirror. When they came back, Martin went to bed.

Mr Escott QC said that Mrs Thornton had always claimed that she stabbed her husband with a kitchen knife by accident after a row during which he accused her of being a prostitute.

But he said that Martin, who was not fully asleep, "heard a murmured conversation, no raised voices, no shouts".

He then heard someone rummaging through the cutlery drawer in the kitchen.

He said: "Martin heard his father scream and came downstairs to be greeted by Sara saying: 'Martin, I have killed your father.'"

In fact, Mr Thornton died several hours later while in hospital.

The killing, said Mr Escott QC, was motivated wholly or partly by financial considerations.

He continued: "Sara Thornton had a fixation that if she left Malcolm before she had been married to him for a year she would lose her interest in the house."

Mr Escott QC said that this may not have actually been the legal situation, but Mrs Thornton thought it was and so killing her husband was "the ultimate solution".

The case continues today.

Murder jury told of sex fantasies

MICHAEL STREETER

A paedophile accused of murdering nine-year-old Daniel Handley told a jury yesterday that he was sexually abused at the age of four while living in a Barnardo's home.

Brett Tyler, 30, also told the Old Bailey that he had sex with a male friend at the age of 12 and had a criminal record for indecency with young boys.

Tyler, who denies murdering Daniel but admits bugging and falsely imprisoning him on 2 October 1994, said he had been put in the home when he

was six months old. Under examination by Rock Tansey QC, for the defence, Tyler, who remained in the home until he was eight, told the court he had five or six times gone off with a man known as John and had sexual intercourse.

After a succession of odd jobs Tyler had been arrested for indecency with young boys and sentenced to four years in prison. He was transferred to Wormwood Scrubs, where he met Timothy Morris, 33, of Leyton, east London, who admits murdering, bugging and falsely imprisoning Daniel.

Tyler said that following his release from jail he had gone on the first of many trips to the Philippines where he had sexual intercourse with boys aged between 11 and 14. Back in Britain he had driven around London with Morris, who had fantasised about abducting a young boy and then killing him.

Tyler said he never believed that Morris would carry out his fantasy. "I did not think he could."

When Tyler had suggested to Morris that by grabbing his victim from behind he could not be identified and therefore did not need to kill him, Morris reject-

ed the idea. "He said he wanted to look in their eyes," Tyler said. He claimed he had already fulfilled his own fantasies in the Philippines and had no desire to harm or kill anyone.

The court was earlier told that Daniel was abducted from a street near his home in Beckton, east London, taken to a flat by Morris and Tyler to be videoed while they bugged him and then murdered before being buried at Bradley Stoke, near Bristol. Tyler claims Morris strangled Daniel and that he played no part in killing him.

The case continues.



You're used to successful meetings. So are we.

Your Conference Partner

Glasgow London Manchester Reading
and many other cities worldwide

Ramada Hotels

Family life at last for English eagles

England's only breeding pair of golden eagles have hatched at least one chick after three unsuccessful years of trying, it was disclosed today.

The eagles are feeding at least one nestling at their remote Lake District eyrie in Cumbria, according to the Royal Society for the Protection of Birds (RSPB), whose staff are keeping an anxious watch on them. It will be some days before wardens can confirm the number of chicks, but golden eagles usually lay two eggs.

RSPB spokesman Chris Harbard said Scotland had an estimated 425 pairs of golden eagles but England has just the one couple, who are nesting within the Haweswater estate owned by North West Water.

"They have failed to breed successfully for the last three years," he said. "We were beginning to worry that the adult male, who is getting on a little bit, may have become infertile and we didn't have a pair that was capable of breeding."

A round-the-clock guard on

the birds' eyrie has been mounted by RSPB staff and a team of volunteer wardens since early this year. Egg thieves present an annual threat to the birds.

The next few weeks will be critical as the chicks remain vulnerable, said the RSPB. They will not be ready to fly until they are 11 weeks old.

Usually, only one youngster makes it out of the nest. The younger or smaller bird often dies, either through lack of food or as a victim of the dominant sibling.



Rare bird: The golden eagle

news

Opponent of women priests to be a bishop

ANDREW BROWN
Religious Affairs Correspondent

One of the leading opponents of women priests in the Church of England is to be made a bishop. The appointment of the Rev John Broadhurst as Bishop of Fulham will be officially announced today, when three vacancies in the diocese of London are filled.

Fr Broadhurst is the chairman of Forward in Faith, the main group opposed to women priests, and has been largely responsible for the group's development as a virtual church within the church, with its own structures in every diocese.

He has been appointed by the Bishop of London, Right Rev Richard Chartres, who has also appointed as Bishop of Stepney Canon John Sentamu, a former judge of the Ugandan High Court who fled from Idi Amin and retrained as a priest when he came to England.

Dr Sentamu will become the third black bishop in the Church of England, joining the Bishop of Rochester, Dr Michael Nazir-Ali and the Bishop of Croydon, the Right Rev Wilfred Woods.

Dr Sentamu is a strong supporter of women priests who is,

however, liked and trusted by traditionalists. He is an energetic evangelical who talks with a speed and passion that can leave his hearers bemused.

He once told the General Synod that the Church of England has "the engine of a law-mower and the brakes of a juggernaut". As Bishop of Stepney, he will be well-placed for the further promotion which almost everyone believes he deserves. His two immediate predecessors have become bishops of Bath and Wells and of London.

The third new suffragan bishop to be announced is the Ven Michael Colclough, now personal assistant to the Bishop of London, who will become Bishop of Kensington.

Archdeacon Colclough is an "affirming Catholic", who is in favour of women priests and of Catholic symbolism and language. This makes him a member of the party loathed above all others by traditionalist Anglo-Catholics, such as Fr Broadhurst. "An affirming Catholic is someone who will do anything with a woman except take her to bed," according to the latest traditionalist joke.

The appointment of Fr Broadhurst suggests that the

mass movement of priests opposed to the ordination of women from the Church of England into the Catholic church may have passed its high point.

If he believes he can stay and fight for his views within the Church of England, many others will conclude he is right.

A forceful critic of the hierarchy, greatly liked for his honesty and salty language, Fr Broadhurst was the first synod member to put his name to a petition in favour of women bishops, whose creation is explicitly prevented by the legislation allowing women priests.

Although he does not believe in either, he has said it is hypocrisy and sexism to stop women from promotion if they are to be priests at all.

The three appointments represent a balance between the three main parties in the Church of England in London, which has both the highest number of women priests in the country and the highest number of irreconcilable opponents.

Although Bishop Chartres remains, like his wife, an opponent of women priests, he will be able to point out that his appointments today have given comfort to all sides.

Treasures from the attic evoke spirit of gracious living



A long-forgotten cache of antiques found in the locked attics of an Elizabethan country house in Sussex exceeded all expectations at auction yesterday, writes Marianne Macdonald.

More than 400 pieces of

silver, glass and furniture – as well as the dressing-up box pictured above – were snapped up in ferocious bidding during the two-day sale at Parham Park, Pulborough, with another 500 to go under the hammer today.

Such was the interest that before the end of yesterday's auction it had racked up sales of more than £777,000 – already more than the total expected to be achieved in both days of the sale. The antiques stayed

wrapped in newspaper or buried in tea chests for decades. These include a collection of Walter Crane table linen, magnificent silver services and candelabra. The most amazing price achieved was for a pair of

George II gilt-lined double spice boxes engraved with Royal monograms. Estimated at up to £10,000, they sold for £117,000. The auction is aimed at securing the future of the house and gardens. Photograph: Dillon Bryden

I love Oyston, model told the tycoon's assistant

A model who alleges that she was raped by the media tycoon Owen Oyston once said she loved him, a court was told yesterday.

The 62-year-old multimillionaire's former personal assistant, Gill Bridge, told Liverpool Crown Court the blonde teenage model had been his girlfriend, and would regularly share his hotel room during business trips to London.

Father-of-five Oyston denies raping the girl when she was 19 and raping and indecently assaulting another model, aged 16, in the bedroom of his country mansion, Cloughton Hall, near Lancaster.

Mrs Bridge – now managing director of Blackpool Football Club of which Oyston is chairman – said she first saw the girl at the Midland Hotel in Manchester, when she had been working for Oyston for a couple of months.

"He had obviously met her before because she put her arms around him and kissed him

on the cheek. She embraced him."

She confirmed taking telephone calls from her for Oyston at his offices, and that Oyston had girlfriends during the time she was one of his personal assistants.

"Obviously we tried to keep it as discreet as possible. I probably knew more than the other two because I was away on business with him more and saw him more on a social basis than the other girls did."

Mrs Bridge claimed the model would share Oyston's room on business trips to London's Royal Trafalgar and Park Lane Hilton hotels.

"She was quite flirtatious with him. He was perhaps a little more reserved. It was obvious that she was attracted to him."

She recalled on one visit someone asking her: "What do you see in a chap like Owen?" and claimed she had replied: "I love him."

Mrs Bridge confirmed to Mrs Helen Grindrod QC, pro-

secuting, that she was still employed by Oyston and was loyal to him. She denied she had ever been the model's friend.

Mrs Grindrod asked: "What you have done is to put a slant on the facts to show that she was having an affair with him?"

Mrs Bridge replied: "She was having an affair with him. She is putting a slant on my involvement because it suits her alibi."

Later, Christopher Cox, a labourer, told the court he had had a relationship with the model lasting for a couple of weeks, during which he made love to her twice in his bedroom at his parents' home.

He claimed he had been mistaken when he made his original statement alleging that this had happened in 1988 – before the alleged rape in 1989, when she claims to have been a virgin. He said he now realised that they had met in 1988 but had made love to each other in 1990.

The trial was adjourned until tomorrow.

The 'unbeatable' Nokia at an unbelievable price!

Cellphones Direct is pleased to bring you this unrepeatable bargain.

The fabulous, feature packed Nokia 232. Past winner of the coveted 'What Cellphone' Best Consumer Phone Award, achieving a maximum rating in every performance category, including value for money.

Simply phone us with your credit card details to receive your phone within 4 working days.

FREE CONNECTION TO VODAFONE LOWCALL WITH NO TARIFF INCREASES GUARANTEED FOR LIFE

Monthly Rental	£18 (£17.71 + VAT)
Peak Time Calls (UK 01-05)	50p per min (42.5p + VAT)
24hr Peak Calls	20p per min (17.7p + VAT)

Peak times 8.00-19.00 Mon to Fri. Mandatory itemised billing charged at £1.77 inc VAT per month. Line rental (included monthly in advance) and airtime charges will be debited to your nominated credit/charge or Debit card. Calls charged in units of 30 seconds after the first minute.



LIMITED OFFER
£24.99 INC. VAT

- FREE CONNECTION - to Vodafone LowCall
- FREE ACCESSORIES - in-car adaptor and leather case together worth over £55

NOKIA MODEL 232.

- 98 memory/number memory • Up to 70 mins talk-time • Up to 16 hrs standby-time
- Complete with battery and fast travel charger • Lightweight 210g

GUARANTEED PEACE OF MIND
Your phone is covered by our 14 days no quibble money back promise.

Cellphones
direct

ORDER NOW FOR FREE DELIVERY IN 4 WORKING DAYS

FREephone 0800 000 888
CREDIT CARD ORDERING HOTLINE WEEKDAYS 9AM TO 7PM WEEKENDS 9AM TO 6PM

PLEASE HAVE YOUR CREDIT CARD AND THIS ADVERTISEMENT READY WHEN YOU CALL AND CREDIT REP 2000. OFFER NOT AVAILABLE TO ACCEPTED CREDIT CHECKS. Offer subject to status and a standard airtime contract for each phone with Cellphones Direct Ltd, 185 Lower Richmond Road, Richmond-Upon-Thames TW9 4JA. Full written details and terms and conditions of this offer are available on request. © Copyright. Registered No. 2959222.



than animals because an animal can roam when it is hungry.

September There is a big welt on my arm where I was whipped yesterday for falling asleep at the loom.

October The boss says we are behind on the carpet. We are too slow. So instead of starting at six we will start at four. And instead of stopping at eight we will stop at 11. Three boys are crying but I feel too tired to cry.

November A big commotion today. Nageshwar and his two younger brothers escaped.

December Nageshwar is back and we have been told that the same thing will happen to us if we try to escape. He has been branded with hot iron rods.

January I want to study. I want to be a teacher, and when I grow up I will earn money and help my father out of his debt. That's what I want to do, if I get out of here.

DIARY OF A SURVIVOR AGED 8½

February I don't know why I am here. I think my Papa sold me to the boss to learn a trade and now the boss says I must do exactly what he tells me.

March It's the same every day. We go from our beds to the loom at six. No-one must talk. We tie tiny knots all day, the smallest ones on the carpet because we have small fingers. Work, work, work. My fingers crack and weep and sometimes my eyes get all blurred. We get a cup of dahl and half an hour to rest then go back to the loom till night time. There is no more food. We are too tired to play.

April Paro talked today and the boss lashed her with the cane. He shouted at us "if you children speak you are not giving your whole attention to the product."

May My fingers bled again and the boss got angry with me for getting blood on the loom. He says I will work extra hours for the next two days and I will be fined and that will increase my father's debt to him. I cried when he talked about Papa.

June The boy who lost a hand, poor Ranglal, he fainted today. We begged the boss to open the window. "The mud walls are hot sir. The thermometer says 105 sir." But the window stays shut to keep out the insects that eat the wool.

July Not much light gets through the polythene slats in the roof. It's hard to see the pattern. I made mistakes today and I'm frightened what will happen when the boss finds out.

August In bed tonight, Nageshwar told me his plan to escape. He is brave but he is bigger than me. He said we live worse

This diary is based on interviews with Madan Ram and other children recently working in carpet factories in Uttar Pradesh, India.

These children have been rehabilitated with the help of Christian Aid, but in India alone an estimated 15 million children still spend their entire childhoods slaving in bonded labour to help their parents out of debt.

Christian Aid works to fight child labour in countries throughout the Third World. We can't do this without your help. Please give all you can in Christian Aid Week.

I enclose a cheque/PO made payable to Christian Aid for: £250 ☐ £100 ☐ £100 ☐ £50 ☐ £25 ☐ £10 ☐ Other £ Or please debit my credit card. (Access/Visa/Other please specify) Card No. Expiry Date

Signature Name Address Postcode

Send your donation to: Christian Aid, Freepost HMB193, Manchester M1 9AZ. OWOON052

Christian Aid
We believe in life before death

WITH THE SUPPORT OF THE CO-OPERATIVE BANK

Registered Charity No. 258003

Christian Aid Week. May 12-18. Give now. Ring 0345 000 300.

Reforms for life in care 'too little too late'

REBECCA FOWLER

The Government was accused of doing "too little too late" to reform Britain's children's homes yesterday, as plans emerged of a campaign to give them a more positive image.

The campaign will be launched officially next month as Children's Homes Week by John Bower, a health minister. It will focus on removing the stigma of growing up in care, and improving the status of workers in the homes.

According to the Department of Health, the campaign was inspired by the report into the running of Britain's children's homes four years ago by Norman Warner, former director of Kent Social Services. It followed the Leicestershire scandal in which Frank Beck was given five life sentences for sexual abuses in four homes.

But Mr Warner, who exposed the dismal status of homes and the lack of specialised training for workers, has criticised the Government for not backing the campaign with action, including following up more of the 83 recommendations he made in the report.

He said: "It's better late than never, but it's no good having a campaign unless you address the points we set out in that report. That includes improving the training arrangements for staff in residential care. Having a campaign without the substance of better training in my view is a waste of time."

Victims of the abusers

"I still think they should also have set up a watchdog body, as the report recommended. The problem is that this sector fades from recognition, and there needs to be a group guiding the Government into action. It is still a Cinderella service that everyone forgets about once the scandals die down."

The image of children's homes has been battered by a series of disturbing scandals, including the sexual and physical abuse of hundreds of children in care. An *Independent* campaign has highlighted loopholes in the system which has allowed paedophiles to target homes, and many workers have become demoralised by lack of pay and status.

Ministers are examining ways of making children in homes more secure by introducing a register of convicted paedophiles and creating a professional body with disciplinary powers to regulate people who work in children's homes.

The Department of Health denied yesterday that the campaign, which has the motto "just like you", was a window-dressing exercise, that detracted from its failure to respond to recommendations made in a series of reports following scan-

dals in homes. It will focus on the achievements of children who have succeeded in life, despite prejudice against them, from those who went into further education and started up their own businesses, to the more public triumphs of celebrities including Bruce Oldfield, the designer, Kris Akabusi, the athlete and Frank Bruno, the boxer.

Paul Robertson, director of the National Leaving Care Advisory Service which is co-ordinating the campaign, said: "We're trying to say to young people you can come through care and make it. These are young people being left with a massive stigma and misunderstanding."



Puffin protest: Greenpeace's demonstration against industrial fishing yesterday

Photograph: Edward Sykes

Puffins blockade McVitie's

Around 150 Greenpeace activists dressed as puffins blocked the entrance to a biscuit factory yesterday in protest at the use of "industrial" fish oil in foods.

The demonstration, which launched a campaign against industrial fishing for sand eels in the North Sea, took place at McVitie's in Harlesden, north-west London. Greenpeace claimed that puffins' food supply was being threatened. A spokesman for the environmental organisation said McVitie's used around 6,000 tons of fish oil in their biscuits each year.

United Biscuits said later yesterday: "United Biscuits is concerned about the depletion of fish stocks in the North Sea and other fisheries. We understand that industrial fishing is one of the main contributory factors... UB has committed to cease the use of fish oil from non-sustainable industrial fishing in European waters within one year and to work towards a position where all fish products are sourced from sustainable sources."

Bank makes bid for student loans

JUDITH JUDO
Education Editor

Students will be able to take out privatised loans for the first time from next October, ministers announced yesterday.

Barclays Bank and two other financial institutions have bid to become the first private institutions to offer student loans.

Their decision will come as a relief to the Government which said earlier this year that it was postponing the introduction of the scheme after the banks appeared unenthusiastic about taking part. They feared it would make them unpopular with student customers.

Critics said there would be a two-tier loan system, with the banks offering loans to students whose prospects were good and the Government's loan company catering for the rest.

Legislation to allow private institutions to offer loans was passed recently. The government-financed student loans company will continue to offer loans alongside the banks.

Barclays promised to speed up the loan-dispensing process but said applicants would have

to be Barclays customers. Allan Silverman, of Barclays, said: "Eligibility criteria, repayment terms and interest rates would be the same as for loans offered by the Student Loans Company, but funds would normally be available within five days of the bank receiving the completed application form - far quicker than at present."

Eric Forth, minister for higher education, said: "I very much welcome the decision of three financial institutions to tender. Our objective throughout has been to increase the loans choices available to students and the quality of service they receive."

Barclays has held talks with the National Union of Students and modified its proposals accordingly. Douglas Trainer, the NUS president, said the union was opposed to the current loans scheme and to privatised loans operated under the current system. However, he welcomed the concessions Barclays had made to ensure that its proposals would offer students a better service.

Ministers now have to decide which tenders to accept. Up to four institutions can be selected.

Joan Thirkettle dies aged 48

Joan Thirkettle, one of ITN's most experienced news reporters, died in hospital on Saturday, ITN said.

Ms Thirkettle, 48, who had been suffering from cancer, covered more than 1,500 stories for ITN after joining as a reporter in 1974.

She reported on the famine in Ethiopia, Richard Branson's trans-oceanic balloon expeditions, highlighted the artistic talent of autistic boy Stephen Wilshire and was a member of the ITN team which won a Royal Television Society award for the coverage of Labour leader John Smith's death.

Ms Thirkettle began her career in 1965 as a trainee researcher with Associated Rediffusion. She joined the *Daily*

Mail, and, in 1969, went to the *Sunday Times* as property correspondent and business writer.

From 1970 she reported for BBC radio and British Forces Broadcasting before becoming a founder member of London Broadcasting Company (LBC) in 1973. She joined ITN the following year and rapidly became a household face and name.

When not reporting, Ms Thirkettle wrote short stories and studied natural history, politics and foreign affairs. She was also an occasional presenter of music programmes on Classic FM radio.

Colleagues and friends paid tribute to Ms Thirkettle's "sheer professionalism and skill". "Joan's death is a great loss," ITN's chief executive Stewart Purvis said. "For more than 20 years she was part of the fabric of ITN, part of its history and part of its family. She covered a wide range of stories with determination, professionalism and great integrity."

Fellow ITN newsreader Julia Somerville said: "Among all her other great qualities she was also extremely kind-hearted."

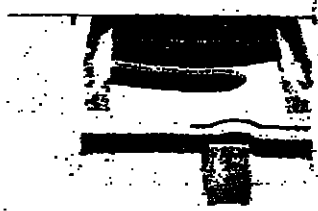
Richard Branson, Virgin Atlantic chairman, described her as "a great ambassador for ITN".

Ms Thirkettle was divorced and lived in London with her two children, Daisy, 18, and Michael, 15.



Joan Thirkettle: 'A great ambassador for ITN'

5 sensible reasons to invest in the HP Printer Megapack.



HP DeskJet 600/660C Printer -

so you can print vibrant colours, sharper edges and get the best contrast on any media with excellent print quality.

MYST Adventure Game - which sharpens your lateral thinking.

Print Shop Deluxe gives you the creative freedom to design anything from a business card to a banner or a label to a poster.

FREE 10 HOUR CompuServe Internet connection - enabling you to data gather and research references for all your academic papers and projects, as well as publish on the net with Lotus Word Pro.

Lotus Word Pro96

word processing program and 45 day trial of Lotus SmartSuite - so your dissertations will be written in the most professional manner.

HP PRINTERS. PAPER THAT WORKS FOR YOU.

hp HEWLETT®
PACKARD

The HP DeskJet 600 requires an optional colour kit for colour printing.

enabled Jonathan Martin, head of

call us free on 0500 246 246.

if anyone can Canon can

news



Solar powered: A London-based Trinidadian healer 'soaking up the sun's energy' in Hyde Park yesterday. He claims he gave the former boxing champion Muhammad Ali, who suffers from Parkinson's disease, the strength to go jogging during his trip to Britain last year. Photograph: Chris Heigen

Gulf minefields expert 'given no safety clothing'

ROS WYNNE-JONES

A mine disposal expert was blinded and lost a leg clearing mines following the Gulf war because he was sent to Kuwait with no protective clothing or equipment, the High Court was told yesterday.

Paul Jefferson, 39, was sent to Kuwait in 1991 by Royal Ordnance, a subsidiary of British Aerospace, to make safe minefields laid by retreating Iraqi forces. "What happened to me could have happened to anyone anywhere else [in the minefields]. We were sent to Kuwait without any equipment or protective clothing," he said.

He had taken a pair of goggles with him but had lent them

to another member of the team detonating mines in the Kuwaiti oil fields. Mr Jefferson alleged he was threatened by members of Royal Ordnance that, despite a lack of equipment, if he could not carry out the work he "could get on the next plane home". The unit was expected to "scavenge" for equipment left by retreating enemy forces.

He and three other members of the team were involved in a mission to establish whether certain types of Iraqi mines could be destroyed by burning them in June 1991, when he trod on a mine. Because the Ordnance disposal teams were not equipped with detonators to blow up mines the four men had gone to a mine dump on a Kuwaiti beach to "scavenge" for suitable equipment.

After a makeshift detonation process using a Coca-Cola can filled with petrol and failed, Mr Jefferson entered the mine dump to find something more suitable to set fire to the mines.

"Had he been wearing protective goggles he would have kept his sight," Andrew Hogarth, for the prosecution, said. "Had the right equipment been available Mr Jefferson would never have been in the dump where the mine went off."

William Norris QC, for the defence, said Mr Jefferson was a "cavalier operator" who kept mines under his bed in the

temporary building he stayed in while in Kuwait and did not always wear protective clothing even when it was available.

Mr Jefferson, a former Royal Engineer, replied that there were no other facilities for storage of mines that had been made safe and were needed for training purposes.

He added that a photograph of him standing in a "minefield" without safety goggles produced by the defence was actually a posed publicity photograph for a humanitarian organisation he had worked for in Afghanistan on "a perfectly safe piece of road".

The first aid kit given to the team consisted of "a few plasters and some aspirin", he told Mr Justice Henry Brooke.

He was in agony in the hours it took him to get to hospital with his foot blown off and shrapnel embedded in his face and eyes, the court heard. He now has an artificial leg and has never recovered his sight.

Royal Ordnance had won a £60m contract awarded by the Kuwaiti government to carry out the work which was concentrated on the nation's southern beaches and oil fields. More than 100 men were employed to clear minefields, of which eight men died and at least two others were injured, Mr Hogarth told the court.

The case continues.

Ex-Navy pilot wins ski injury damages

A Royal Navy helicopter pilot who pulled the Virgin tycoon Richard Branson from the sea after his ill-fated attempt to cross the Atlantic by balloon was yesterday awarded "very substantial" damages for a skiing accident which left him almost totally paralysed.

Trevor Jones, 35, was a member of the Navy skiing team when he was injured practising for the Navy skiing championships in Austria in 1988 - a few months after the sea rescue - because of what he claimed was negligence on the part of the Ministry of Defence in not making sure that a slalom run was safe.

Clive Wilson-Smith QC, representing the former lieutenant, told Mr Justice Collins in the High Court that Mr Jones now needed 24-hour care but his dis-

abilities had not stopped "this very remarkable man" from returning to the sports he loves.

"He has approached his disability with the utmost courage and determination and what he has achieved is truly remarkable."

"He has flown a microlight, sailed a yacht and returned to the ski slope. Flying and sailing was his life and he was an accomplished sportsman both at school and in the Navy and what he has achieved since his accident testifies to his courage."

Mr Wilson-Smith said that he had agreed terms with the Ministry of Defence on a 50-50 basis and asked for the case to be adjourned for the amounts to be worked out.

Mr Jones, who lives in Fulham, south-west London, attended the court hearing using a computerised wheelchair.

What will you give your workers on their retirement?



Every year, 2.2 million people are made ill by work. Often it's not just their health that's ruined - many are forced to give up their jobs

and their whole way of life. Carrying out even the simplest tasks can end up damaging their lungs, their hearing or their muscles and joints.

All these illnesses have one thing in common - they need never happen.



HSE's 'Good Health is Good Business' management pack

is designed to help you, as a manager, prevent

unnecessary illness affecting your workers

and your productivity. It tells you how to

identify the problems and helps you find

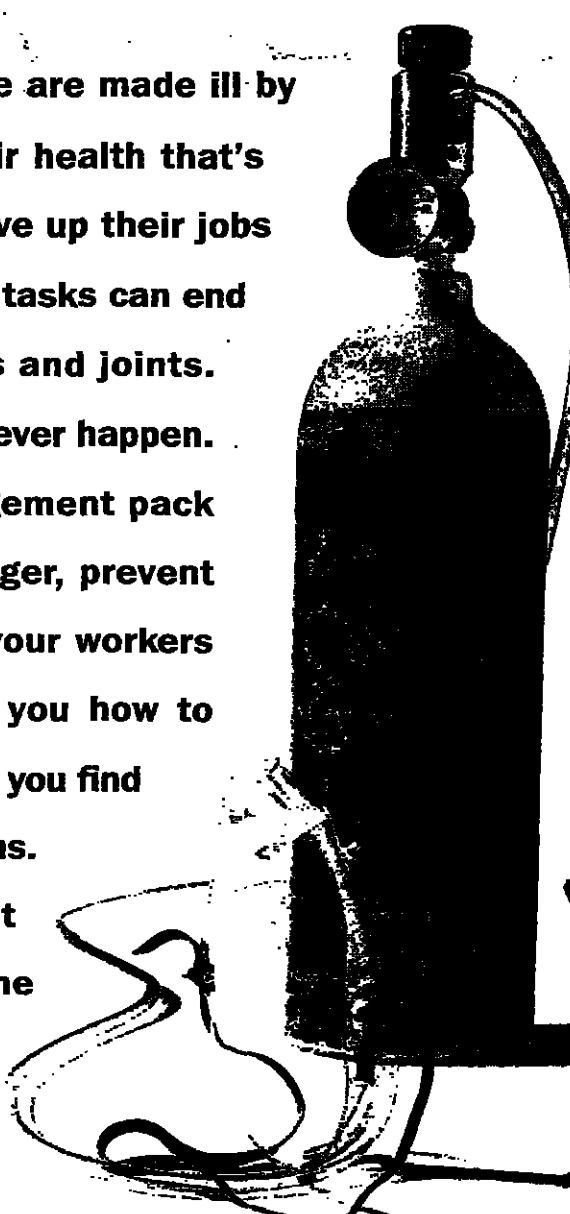
simple, cost-effective solutions.

For your free management

pack, simply fill in the

coupon below or phone

0345 18 18 19*



Your employees' health is your business.

GOOD HEALTH IS GOOD BUSINESS

*All calls charged at local rate.



Health & Safety Executive

Reducing Risks - Protecting People

PLEASE SEND ME A FREE COPY OF
HSE'S GOOD HEALTH IS GOOD BUSINESS MANAGEMENT PACK

Name: _____ Postcode: _____
Company: _____
Address: _____
Postcode: _____ Tel No: _____

PLEASE SEND TO: HSE BOOKS (DEPT 638), PO BOX 1999, SUDBURY, SUFFOLK CO10 6PS.

81N1/638

DAILY POEM

Tennessee June

By Jorie Graham

This is the heat that seeks the flaw in everything
and loves the flaw.
Nothing is heavier than its spirit,
nothing more landlocked than the body within it.
Its daylilies grow overnight, our lawns
bare, then falsely gay, then bare again. Imagine
your mind wandering without its logic,
your body the sides of a riverbed giving in ...
In it, no world can survive
having more than its neighbors;
in it, the pressure to become forever less is the pressure
to take forevermore
to get there. Oh

Let it touch you ...
The porch is sharply lit - little box of the body -
and the hammock swings out easily over its edge.
Beyond, the hot ferns bed, and fireflies gauze
this fat tobacco slums,
the crickets boring holes into the heat the crickets fill.
Rock out into that dark and back to where
the blind moths circle, circle,
back and forth from the bone-white house to the creepers
unbraiding.

Nothing will catch you.
Nothing will let you go.
We call it blossoming -
the spirit breaks from you and you remain.

Jorie Graham has just won the 1996 Pulitzer Prize for Poetry for her Selected Poems 1974-94, *The Dream of the Unified Field*, published in this country by Carcanet at £12.95. Over the last fifteen years, Graham has emerged as one of the most exciting and influential young poets in America. Compared with Emily Dickinson for the delicacy of her language and fierce sense of the philosophic universe, her preoccupations are entirely her own and 20th century: television, breakdancing, history viewed through a modern lens. Recommended.

HOUSE INSURANCE

SAVE **50% OR UP TO 50% MORE**
e.g. LONDON & HOME COUNTIES
£100,000 Buildings Sum Insured
Premium Only £154.00

LOWER Premiums in most Other Areas

Tel: 0181 546 1102 NOW!

Or phone your nearest branch at the local rate on

0345 123111

Hill House Hammond
Cutting The Cost Of Your Insurance

هكذا من الأصل

Albania's harsh regime given EU support

ANDREW GUMBEL
Tirana

Albania's President Sali Berisha may not be popular with international human rights groups, who have condemned his repressive attacks on the opposition, the judiciary and the independent press, and he is certainly mistrusted by many Albanians who feel he has turned the country into a giant clientelistic structure at the service of his Democratic Party.

But in the run-up to this month's general elections he has enjoyed almost unqualified support from European Union countries, who have swept away scruples about interfering in the internal affairs of other countries and, in some cases, campaigned openly for the Democratic Party's return to office. According to the diplomatic community in Tirana, Germany and Italy have been particularly assiduous in their support. The Konrad Adenauer Foundation, which is linked to Chancellor Helmut Kohl's CDU, has given direct logistical advice to the Democratic Party and other centre-right groupings, and held seminars in which President Berisha has been offered tips for his electoral strategy. Nothing similar has been offered by other foundations to the Socialist-led opposition.

A month ago, two senior politicians representing European conservatives, Alois Mock of the European Democratic Union and Klaus Welle of the European Christian Democrats, turned up at the Democratic Party's pre-electoral convention and praised Mr Berisha for keeping the peace in the southern Balkans. A few days later, Pierre Lellouche, an adviser to the French President, Jacques Chirac, was photographed hugging Mr Berisha and calling him the great hope for "democracy, freedom and tomorrow's prosperity".

The President of the Coun-

cil of the European Parliament, Leif Fischer, even went so far as to praise a much-contested law banning former collaborators with the communist-era secret service in Albania from seeking public office. The law has been widely criticised because it effectively gives the Democratic Party the power to ostracise its opponents without due judicial process, but Ms Fischer said flatteringly that she would be happy to see it in operation in her native Germany. Such remarks have been a major morale-boost for Mr Berisha, who has spent much of the election campaign painting himself as the man to take Albania into the European mainstream while denouncing his opponents, the Socialists, as unrepentant Communists planning to turn the clock back. What's more, Albanians depend on vast infusions of foreign aid and may be inclined to vote for the Democratic Party against their instincts if they feel that they will receive bigger handouts that way.

Some of the interventions have raised serious ethical questions, and not just because of Mr Berisha's human rights record which most visitors have overlooked. The most recent visitor, the floor leader of President Chirac's RPR in the French Senate, Michel Pericard, actually broke Albanian law by supporting the Democratic Party once the official campaign had begun. Article 56 of the electoral law drawn up by President Berisha's government states that "election campaigning is prohibited by persons who are not Albanian citizens". Mr Pericard dismissed a challenge on this point as "amusing".

Europe's support for Mr Berisha appears to be something of an unholy compromise. They are prepared to overlook his repressive tendencies (arguing that the Socialists may be no better once in power) and instead reward

him for staying out of the Yugoslav wars and for keeping a lid on ethnic tensions involving Albanians in Kosovo and Macedonia.

Furthermore, although there is tacit recognition that his economic policies are more clientelistic than genuinely free-market, the feeling is that Mr Berisha understands western interests in Albania and - after four years of halting starts and frustration - is beginning to open up the country to foreign investors.

The problem with the Socialists is not so much that they would make life harder for foreign banks and businesses - although some embassies in Tirana feel they would - but that they might question the legality of projects now being initiated and provoke delays by replacing every last ministry official.

Agencies providing billions of dollars in foreign aid feel the same way. "We have spent a long time trying to get things going and forming personal relationships with key people. This would be absolutely the worst time for a change of government, as we would have to start over from scratch," said one Italian worker on an EU project scheme.

Such calculations are infuriating the opposition, which claims to be just as responsible on Balkan issues, just as open to Europe if not more so, and says it would do everything it could for a smooth transition after the elections. "It is a big mistake for foreign powers to judge us from the point of view of their interests. The real interest is the future of our democracy, which they should seek to develop, not destroy with their interference," said Paskal Milo of the centre-left Social Democrats.

The United States, which provided overt financial and political support for Mr Berisha at the last elections in 1992, has



Ripe for investment: A market in Korca, Albania. Western leaders believe President Berisha offers the best hope for growth

Photograph: Network

Mr. E. Lusive

OFFICE..... 01373 832262
MOBILE..... 0836 212164
PAGER..... 01242 126321
HOME..... 011- 832656
LONDON 77 26 1424

Mr. A. Vailable

07000 654321

Now it takes just one number to find you.

For just £3 a month, you can have one 07000 number for home, office and mobile.

Move house, change your job, it doesn't matter. You keep your Personal Number and keep in touch. Calls are simple to re-route, with no direct charges. You can take calls where and when you want. More importantly, no lost calls mean no lost business. You can even choose your own memorable number by matching letters of your name or business to those on the phone keypad.

Reserve your personal number by calling 07000 707070 now.

THE PERSONAL NUMBER COMPANY PLC

IN ASSOCIATION WITH VODAFONE GROUP

07000 70 70 70

Get personal if you want to get ahead

Trade enquiries welcome: 07000 654321. Special rates for corporate users: 07000 717171. One off connection fee from £120 + VAT. Calls to mobile phones: charged at the mobile rate.

Helen Womack

Provincial sex works wonders for satisfying mafia business desires

RYAZAN DAYS

"Do you have a problem?" asked the pert young woman behind the counter. "Er, just looking, thanks." I said as I browsed through the orgasm creams and ejaculation delay sprays.

This was not Soho, or even Moscow, where sex shops hardly raise eyebrows any longer. This was deeply provincial Ryazan, the centre of a farming region south-east of Moscow which sends potatoes and other produce to market in the Russian capital.

The women of Ryazan are known for their loud voices. There is a Russian expression: "to shout like a Ryazan farmer's wife". But, until now, I had never made a mental connection between Ryazan and the erotic. Unless the sight of women carrying buckets from the well on yokes, still a fairly common feature of the Russian countryside, can be considered sexually arousing.

Here though, in the middle of Ryazan old town, in the shadow of the 17th century Uspensky cathedral, was a little lilac-coloured house called Magazin Intim. Dr Sergei Grigoriev, a sex therapist, launched the venture last year to coincide with celebrations marking the 900th anniversary of the founding of Ryazan.

A large plastic penis hung outside the shop. I do not usually frequent such establishments but you will understand that in this case I found it hard to resist the lure.

"You'll have to talk to the doctor," said the pert young woman when she realised my problem was that I was short of a story. "He'll tell you everything you want to know." In the back office, Dr Grigoriev was playing with a Siamese kitten. He was enormously fat. The mind boggled at the idea of him... but we will not go into that.

He seemed friendly. "We're here to help people," he said. "They're put off by the idea of going to hospital with their sexual problems. They find it easier to come to a shop. At first they pretend they are just looking. Then they start to speak about what's troubling them."

The commonest problems are impotence and failure to experience orgasm. Dr Grigoriev said Russian living conditions were often to blame. "There is still a terrible housing crisis. Gummy is often listening through the wall. The men take to drink and the women give up hope."

Dr Grigoriev said he treated men who had become impotent as a result of the Chernobyl nuclear accident, and amputees, including veterans of the war in Afghanistan. "I can give them artificial penises. They are able to give physical pleasure to their women and this gives them mental relief."

Dr Grigoriev kept a straight face as he said this but I found it hard to imagine many "real" Russian men getting mental relief in that way. I began to feel he was "hanging noodles on my ears" (telling me tall stories). Altogether, there was something rather odd about the shop.

Although the doctor insisted his services were of a purely medical nature, the product range - blow-up dolls, vibrators and pornographic magazines - suggested otherwise. Unusually for the Russian provinces, the goods were priced in dollars rather than roubles, and expensive too, a fact which could not have escaped the attention of those who "protect" local business.

Behind the shop was a warren of rooms whose use was unclear. The doctor's business card said: "Grigoriev Sergei

Viktorovich, Director of the Production-Commercial Individual Private Enterprise 'Sergei'."

It was a relief to walk out into the warm, spring sunshine. And then I saw an extraordinary sight. The police were holding up the traffic, as they did in Soviet times for the 23rd Anniversaries of Communist Party officials, to allow the passage of a convoy of buses and foreign-made cars. It was a mafia funeral.

In a flash, I understood why earlier in the morning I had seen thugs with mobile phones and machine guns on the steps of my hotel. Now I realised they must have been preparing for the funeral.

Later, I read all about it in the local paper. Four people had been wounded and citizen Gordiev and his female partner, citizen Sazonova, killed in a shoot-out at the Rus night club.

Not only was there sex in Ryazan but violence too. I could not put my finger on it but, in an obscure way, I felt the sex and violence were related. Certainly this was a murky world I hardly expected to find in the Russian provinces. Moscow would seem a safe and innocent place after this.

£79

THE FUN FAIR FOR HALF-TERM.

CALL NOW.

For a great fun half-term holiday, at a great price, catch our Hovercraft. Or our SeaCat from Folkestone to Boulogne for £69 5 day return car + 5. With the speed of our crossings, 35 minutes on Hovercraft and 55 minutes on SeaCat, you'll have more time to enjoy your stay in France. And on presentation of your Hoverspeed ticket you'll receive a special discount when you visit Nausicaä sea-world and Bagatelle leisure park in Boulogne; Bal Parc theme park in Tournehem; and Marquenterre, a bird park at Rue. Book and travel before 30/06/96. Call Hoverspeed Reservations or see your local travel agent.

STILL THE FASTEST WAY TO FRANCE

HOVER SPEED

CALL 01304 240 241

Terms and conditions: Only firm bookings will be accepted, no amendments or cancellations, travel must be taken by 30/06/96, subject to limited availability.

cell free on 0500 246 246

If anyone can Canon can

international



Smoke screen: Firefighters douse the flames at the central post office, one of Bombay's oldest buildings, dating from the 19th century. No one was injured in the fire, which was caused by a short circuit. Photograph: Savita

Iron horses roar on to the Silk Road

HUGH POPE
Istanbul

The Great Game for oil, trade and power in Central Asia took a new turn away from Russia yesterday with the opening of a railway link that gives the first alternative rail route into the region from Iranian ports in the Gulf: from Turkish factories, from London or Peking.

Leaders of states like Iran and Turkey and the new countries of Central Asia flocked to an inaugural ceremony for the newly built 300-km Mashhad-Tehran connection at Sarakhs, a remote dust-blown outpost on the border between Turkmenistan and Iran.

Sarakhs was once a spot where British players of the old imperial Great Game against Moscow entered or left then-friendly Persian territory. Yesterday's opening is a symbol of the advantage that Iran, now

anti-Western, has gained in the new game that pits it not only against Russia but also Turkey, China, other regional states and Western oil and mining multinationals.

The opening will be followed by a gathering today of leaders of the Economic Cooperation Organization, which groups 250 million people in the non-Arab Middle East and Muslim south-west Asia. It is the descendant of the Baghdad Pact and other anti-Soviet alliances of the old "northern tier" but has gone in a different direction than was ever intended by its architects in Washington.

"We don't know quite what to do about the Sarakhs opening," said a US official in Central Asia. "On one hand, it is helping trade and stability in the new states. On the other, it is opening the way for Iran. I expect we'll be standing on the sidelines, wagging our finger,

but without much spirit." The US has backed its secular NATO ally, Turkey, against Iran in the region and although Turkish businessmen are becoming ever more successful throughout the region, Ankara has been sidetracked by its own weakness and geo-political difficulties in routing oil pipelines through Turkey.

Whether Washington likes it or not, Iran has been doing better in Central Asia and the Caucasus in the past couple of years. It has dropped its emphasis on Islamic fundamentalism to pursue a more traditional Iranian foreign and trade policy which has, for instance, led it to form a closer relationship with Christian Armenia than with Shia Muslim Azerbaijan.

Iran enjoys natural geographical advantages. For those ready to deal with its bureaucracy, it offers a direct route to warm-water ports from Armenia, Azerbaijan, Turkmenistan and Kazakhstan, by road, by a short voyage across the Caspian Sea, or now by rail.

On Saturday President Nursultan Nazarbayev of Kazakhstan signed an agreement with Iran that will allow 40,000 barrels a day of Kazakh oil exports through Iran, by means of "swaps" with Iranian oil in the Gulf for now and in the future by pipeline through Turkmenistan.

Iran also looks likely to take a 10-per-cent stake in an Azeri oil project to develop the Shakh-deniz field.

Western pressure had forced Baku to cancel a stake offered to Iran in the first BP-led consortium that will develop three fields further north.

"The Silk Road railway ... is the bridge for the region and the world and is a clear example of Iran's priority on regional co-operation," the Iranian President, Hojatollah Ali Akbar Hashemi Rafsanjani, said at a ceremony in Sarakhs.

Former Soviet states around the Caspian also need to court Iran in their dispute with Russia over whether the Caspian is a lake, whose underground resources must be shared, or a sea, whose oilfields are the property of the state whose shoreline is closest.

Iran has so far backed Russia's attempt to force everyone to share natural resources under the "lake" definition. This

would help to re-establish Moscow's hegemony in the area and give it a say in the activities of Western oil companies.

Perhaps partly because Washington has tried so hard to freeze Iran out, Central Asian states have had little room for manoeuvre. Russia has reasserted a dominance built on two centuries of tsarist and Soviet rule of the Caucasus and a century in Central Asia. Georgia has given back basing rights to Russian troops and Armenia has signed dozens of joint military agreements. Kazakhstan and Kyrgyzstan this month joined the customs union with Russia and Belarus.

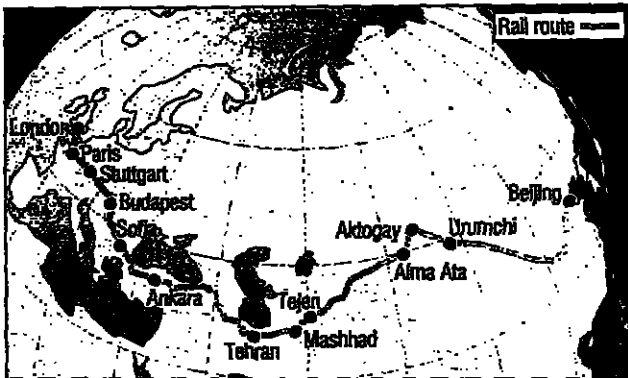
Moscow's blockade of Kazakhstan's oil exports has been resolved by an agreement to build the main Kazakh pipeline through Russia to the Black Sea port of Novorossiysk. Russia has been given a 25-per-cent stake and the Russian LUKoil conglomerate a 12.5-per-cent stake. Azerbaijan, which is still resisting taking back Russian troops, has also given a stake to LUKoil in its main BPA-3 consortium and has pledged to export half of its first flows of oil through Russia to the Black Sea.

The other half is to go to the Black Sea through Georgia. But Turkey's new government has withdrawn an offer to finance the pipeline, upset that the consortium had not agreed to its conditions and still hoping a pipeline can be built to the Mediterranean across Turkey. Ankara has also reiterated warnings that it will prevent large amounts of oil from Russia's Black Sea ports using the Bosphorus, where tankers pass within metres of parts of Istanbul, with its millions of people. As yet, however, little new oil or gas is being exported from anywhere.

And in the meantime it is often Turkish entrepreneurs who are opening up businesses all over the Caucasus and Central Asia, from bakeries and restaurants to banks, bottling plants, bus and truck-making factories and textile mills.

These are often done with Western partners. In fact, virtually no projects belong exclusively to any one country.

And it is entirely typical that one of the pioneers exporting oil from Central Asia by ship and rail through Iran was actually a Turk.



Hopes rise for talks with N Korea

RICHARD LLOYD PARRY
Tokyo

South Korea, the United States and Japan will emerge today from a two-day conference aimed at setting up talks with communist North Korea, in an atmosphere of cautious optimism about the prospects for peace on the peninsula.

The meeting, on the South Korean island of Cheju, is the latest in a series of diplomatic initiatives designed to defuse tension between Seoul and Pyongyang since a tense interlude last month, when troops from the communist North illegally entered the demilitarised zone between the two countries. Its focus has been a proposal, made last month by President Bill Clinton and the South Korean President, Kim Young-sam, for peace talks between the two Koreas, plus the US and China - the four signatories of the Korean Armistice, which brought an uneasy end to the Korean War in 1953.

Ever since then, the two sides have faced one another off across the heavily armed demilitarised zone. All attempts at dialogue between the two Koreas have failed. The North has taken to insisting that it will talk peace with the US alone, but the thought of being left out of any treaty terrifies Seoul, even more than the possibility of a last ditch attack by a desperate North Korean military.

Since the Clinton-Kim proposal, however, the atmosphere has warmed. While it has not yet formally responded to the idea of the four-way talks, Pyongyang has asked for more details on the

proposal, and desisted from further provocations on the border. China has been cautiously positive and the South Koreans seem to be overcoming their fear of being sidelined.

Freed of domestic political pressures by its success in recent elections, the government has decided to give the North Korean situation the serious diplomatic attention it requires.

Three days ago, the US ambassador to Seoul, James Laney, delivered a striking speech which recast 43 years of US-South Korean policy on the peninsula. "In the absence of other tools with which to change its circumstances, the North may look for other ways of using the only remaining asset which commands international respect - military might," he told a conference in Seoul. "We should tone down our rhetoric and lurid language [and] realise that they are driven not by arrogance but by insecurity ... Everyone's interests are served by economic assistance to the North, reduction of tensions, and comprehensive North-South engagement."

AA

JOIN NOW FROM
JUST £39

To join, call free now on
0500 444 999

and ask for extension 8000.
Immediate server available.

The Swedish Exchange rate.

A Saab 900 for £199* a month.

For a limited period you can get an exciting 2 litre, 16 valve, 130 bhp Saab for just £199* a month.

And for the safety conscious, the 900i comes with ABS brakes, the unique Saab safeseat, side impact protection, driver's airbag and power steering.

If you think this is a fair exchange then why not arrange a test drive. Call us on 0800 626 556. But be quick, the offer ends on 28th June 1996.



SAAB

beyond the
conventional

£199 per
month

12.5% APR

*PLUS INITIAL AND OPTIONAL FINAL PAYMENTS

Typical example: Saab 900i

Period of hire	37 months
On the road cash price	£14,995.00
Deposit	£ 4,676.94
Advance	£10,318.06
Monthly payments	36 x £199.00
Final payment/guaranteed minimum future value	£ 6,100.00
APR	12.5%
Total amount payable†	£18,025.94
Contract based on 37 months/10,000 miles pa	

PRICE CORRECT AT PRESS DATE. EXCESS MILEAGE CHARGE IS 10.35p PER MILE PLUS VAT. † INCLUDES A £60 ACCEPTANCE FEE PAYABLE WITH THE FIRST RENTAL PLUS £15 OPTION TO PURCHASE FEE PAYABLE AT THE END OF THE CONTRACT. FULL WRITTEN QUOTATION AVAILABLE ON REQUEST. INDEMNITIES MAY BE REQUIRED IN CERTAIN CIRCUMSTANCES. ALL APPLICATIONS FOR CREDIT ARE SUBJECT TO ACCEPTANCE. OFFER ENDS 28TH JUNE 1996.

Brief respite for Liberian exiles

VINCENT TSAS
Reuters

Takoradi — Thousands of Liberian war refugees, many sick after a week at sea, were brought ashore from a crippled freighter yesterday and put in heavily guarded quayside tents at this Ghanaian port, witnesses said. "They have all been brought down and kept in tents which were erected on the quay yesterday. The military are everywhere," said a witness. Nearly 4,000 passengers fleeing violence and anarchy in Monrovia, Liberia's capital, are

unwanted by the country's neighbours who say they are fed up with its six-year-old civil war and refugee problem. The refugees' respite ashore is likely to be only temporary — just long enough for repairs to be carried out to the vessel. As the passengers, including hundreds of women and children, left the rusting Nigerian freighter *Bulk Challenge*, Ghana made clear in a statement that it was sticking to its decision not to admit the refugees. It cited the need to avoid undermining decisions taken last week on halting renewed civil

war in Liberia by the Economic Community of West African States (Ecomog) of which Ghana holds the rotating presidency. "Care must be taken in order not to create a panic situation in Monrovia which will unduly generate more exodus of Liberians into neighbouring countries which are already saddled with thousands of Liberian refugees," the Foreign Ministry statement said. "The vessel which is anchored just outside the harbour will be expected to set sail for Monrovia or wherever the cap-

tain would decide," it added. Ivory Coast, saying hundreds of the passengers were Liberian gunmen, forced the *Bulk Challenge* back to sea last Thursday after emergency repairs. Sierra Leone has blocked another vessel, the fishing boat *Victory Reefer*, with 700 refugees off Freetown. There were also signs yesterday of international anger at the treatment of the Liberian refugees, particularly the freighter passengers — many of them sick, suffering diarrhoea and packed together on board with only one toilet.

The United Nations High Commissioner for Refugees, Sadako Ogata, pleaded: "Unless the door is open to them, a lot of people, many of them women and children, may die." She said the UNHCR was prepared to help countries that grant asylum to the Liberians. Emma Bonino, the European Union's humanitarian affairs commissioner, said: "I am deeply shocked at the sight of thousands of helpless and hopeless civilians who are being sent from one port to another, and denied the right to proper refuge and assistance."

The commission said its European Community Humanitarian Office would provide emergency assistance to refugees and money for the few aid agencies still operating in Liberia. It did not say how much it would give. A witness said more than 200 soldiers of the African Ecomog peace-keeping force stationed in Liberia were among the passengers. In Monrovia, Ecomog chief of staff, Brigadier-Gabriel Anyankpele, confirmed that soldiers were on board and the shooting incident on Sunday in which two passengers died.

IN BRIEF

Mandela announces new cabinet jobs

Cape Town — President Nelson Mandela yesterday appointed new ministers to fill the gaps in the South African cabinet created by the withdrawal of the white-led National Party. He said that he had decided to merge the Ministries of Agriculture and Land Affairs and that the new ministry would be headed by Land Affairs Minister Derek Hanekom. Deputy Minister of Welfare and Population Development, Geraldine Fraser-Moleketi, is promoted to minister. Mohammed Valli Moosa takes over from Rolf Meyer as Provincial Affairs and Constitutional Development Minister. Deputy Minister of Home Affairs Penuell Maduna becomes Minister of Mineral and Energy Affairs, replacing Pk Botha. Pulo Jordan, ousted as Posts and Telecommunications Minister last month, returns to the cabinet to replace Dawie de Villiers as Environmental Affairs and Tourism Minister. **Reuters**



Chinese leader calls for help to Africa

Addis Ababa — Chinese President Jiang Zemin appealed to wealthy nations to lighten Africa's \$313bn (£203bn) foreign-debt load, saying it was impeding development on the world's poorest continent. Jiang made the call in Ethiopia in a keynote speech on China's Africa policy before leaving for Egypt on the third leg of a six-nation African tour. His visit, the first to Africa by a Chinese leader, is seen partly as a response to Taiwan's diplomatic forays on the continent. **Reuters**

Croatia's rights record worries West

Strasbourg — The Council of Europe may delay Croatia's accession this week out of concern over recent decisions on civil liberties by President Franjo Tudjman, a source close to the secretary-general said. The source said concern focused on Tudjman's decisions to dissolve the democratically-elected Zagreb city council, dominated by the opposition, and on the prosecution of several independent newspapers. **Reuters**

French rail gives gay couples equality

Paris — Homosexual couples can now get cheap seats on French trains — provided their local town hall certifies they live together, the state railway company SNCF said. A spokeswoman said SNCF had extended to homosexual couples the 25 per cent fare cut previously granted to heterosexual couples. **Reuters**

Greenpeace makes an eastern foray

Geneva — Greenpeace announced it would be sending its peace ship the *MS Greenpeace* to China next month to protest against Chinese plans to conduct nuclear weapons tests. The environmental group said the vessel would visit Sydney and Manila before arriving off the coast of Shanghai in early June where it would remain for three to four days. It was the first time a Greenpeace boat had ever been sent to the communist country, it said. **AP**

Indian left may bid for power

New Delhi — India's main communist party agreed to consider leading a bid for power after its socialist partners unanimously asked Marxist veteran Jyoti Basu to be their prime ministerial candidate. A meeting of the National Front-Left Front urged Basu to consider the role barely hours after his Communist Party of India-Marxist (CPI-M) ruled out any role in a new government. **Reuters**

Israeli shot dead in West Bank

Jerusalem — Palestinian guerrillas shot dead an Israeli in the West Bank. The Arab gunmen fired first at an Israeli bus near the settlement of Beit El, north of Jerusalem, but no one was hit. An Israeli in charge of security in settlements in the area said. The gunmen then drove on and shot towards a group of young Jewish men standing along the road, severely wounding two of them. Israel Radio said one of the men was hit in the head and later died of his wounds. **Reuters**

Search for jet hampered by black swamp

PHIL DAVISON
Miami

While sharpshooters peered through the scopes of automatic rifles looking for alligators, police divers waded up to their shoulders in greasy black water, bending their helmets into the mud and groping with their hands after each step forward. There were 30 of them, like spearmen, advancing painstakingly in lines of five, looking for bodies, or more likely body parts, from a crashed cut-price airliner sucked into the famed Everglades swamp on Saturday with 109 people on board.

"This is tough stuff out there," said Robert Francis, vice-chairman of the National Transportation Safety Board (NTSB), which has taken over the rescue operation. The police divers were joined yesterday by US Navy underwater experts with "pinger" sonar equipment they hoped would locate signals from the plane's flight recorders. After cutting through razor-sharp, 8ft sawgrass on so-called airboats — fan-propelled platforms driven by so-called "swamp rats" who usually fish the swamps or ferry tourists — the rescuers found the plane's engines and parts of its pale blue tailplane on Sunday evening.

But there appeared to be little else. Mr Francis said it was the most difficult rescue his experts had ever faced. Some rescuers said yesterday they had touched — poking with poles — a large, sunken piece of debris which could be part of the fuselage. But the problem was how to get it out of sinking swamps 300 yards from the nearest levee and reachable only by the grass-cutting airboats. Rescuers began talking of weeks, rather than days.

US Navy underwater experts arrived yesterday to probe the murky water, where divers said they could not even see their hands in front of them. The divers also expressed fears that deadly 12-foot alligators which inhabit the area, but would have fled the spill fuel on Saturday, may return, attracted by the bodies.

It was an eerie, surreal sight, with the whirl of helicopter blades, the boathans, the chatter of confused birds and the buzz of local "deerflies" and mosquitos sporadically interrupting otherwise total silence. The swamp seemed to have literally swallowed up the entire aircraft into its sawgrass cover, 20ft layer of mud, soggy peat and limestone base. Only a slightly darker



Rescuers comb the Florida swamp in search of bodies and aircraft parts yesterday

Photograph: Hans Deryk/AP

shading, perhaps from aviation fuel but looking as though the site was under a small cloud, gave a hint as to where the plane sank. By yesterday, the area looked like a flooded golf course as rescuers looking on from a distance said the bags may have contained body parts, personal effects or "sensitive debris," which may be able to cast light on Saturday's crash of the ValuJet airline DC-9. It went

down eight minutes after taking off from Miami International Airport to Atlanta, Georgia, as 35-year-old woman pilot, Candelyn Kubeck, attempted to return to the airport because of black smoke in the plane. The British vice-consul in Orlando, Florida, Linda Nassar, said she was trying to confirm reports of up to three Britons on board, named as Roger and

Devin Loughney and James Alloway, the latter believed to have been a Miami resident. The first two may have been wrongly listed as Britons because they had arrived from the UK before buying "walk-up" tickets to Atlanta, she said. ValuJet said it had contacted all next-of-kin but the British vice-consul said the airline had not yet passed on details.

Menem blasts cat-eating film

Buenos Aires (Reuters) — President Carlos Menem yesterday denounced journalists who filmed starving slum dwellers eating cats as "barbarians," saying they had demeaned Argentina's international image. "They are real traitors. How can they be so irresponsible as to put those kinds of images that damage the country on all the television networks around the world?" Mr Menem asked. Footage of poor families skinning, gutting and cooking

cats in Argentina's second biggest city, Rosario, last week stunned a nation which is rich in exports of beef and grain, and sparked criticisms of government neglect. Mr Menem said on local radio that the reports were a "disgrace" and claimed that the media had paid the poor to grill the animals. Last week, after Rosario's mayor, Hermes Binner, made similar accusations, a leading commentator, Mariano Gron-

dona, invited residents of the Rosario slum to his live television programme, which is one of the most widely watched in Argentina, where they insisted that they eat cats for nourishment and not for money. The images were shot in the slums surrounding Rosario, 185 miles (300 km) north of Buenos Aires. Industries have shrivelled in the town in recent years and the jobless rate has jumped to 21 per cent compared to a national rate of 16 per cent.

Mayor Barry is reunited with God

RUPERT CORNWELL
Washington

After a two-week provincial tour, the Marion Barry show came home yesterday. Saying that "God chose me, God working through the people put me in the mayor's office," Mr Barry was back in Washington, pronouncing himself drug free, drink free and now cigarette free, ready to take back the helm of hapless Washington DC.

Thus ended, with a public address that better belonged at a Southern Baptist revivalist meeting than a gathering of senior administrative aides, an impromptu break that led to fevered speculation that after some 16 years, one of the country's most controversial elected officials might be about to step down.

But nothing of the sort. The search for "spiritual and physical renewal" had succeeded, the mayor proclaimed. At retreats first on the Maryland shore and then in St Louis, he had "met every goal," was "spiritually reconnected with God". The performance was quintessential Barry. The mood was that of special blend of apology, redemption and celebration, and his reception was little short of ecstatic.

"Our leader is a visionary, who can encourage others," exulted Michael Rogers, a city administrator. Mr Barry himself filled the air with promises. He was more determined than ever "to bring hope to where hope has died, faith to where faith has been lost". But words alone will not restore the city's faith. Contrary to rumour, Mr Barry denied he had slipped back into alcoholism, or the drug use which led in 1990 to his arrest on crack cocaine charges and subsequent six-month jail term. But only last week, contracting powers of the DC Department of Human Services were taken from the mayor's hands. While the immediate threat of bankruptcy has receded, within months the city will again have to borrow massively. And its infrastructure continues to crumble. Spring is here, and foot-deep potholes still stud

The Vinegar Book

You will be amazed at the multitude of uses for vinegar. This common household product is packed with goodness. In a new book, "The Vinegar Book" the author discusses over 300 different uses of vinegar in relation to household chores and traditional remedies... in particular vinegar's effect in helping to:

- Kill infection
- Soothe coughs
- Ease the pain of sore throats
- Calm nausea
- Help prevent food poisoning
- Fade headaches away
- Remove corns and calluses
- Use in the laundry — brightens colours... whitens whites... fades perspiration stains
- Use as a disinfectant — some hospitals do

Repair wood scratches and makes an excellent furniture polish

- Remove carpet stains — absorbs odours
- Dissolve chewing gum
- Clean brass, copper and pewter
- Shine car chrome
- Soothe aching feet
- Remove ink stains
- Stop hiccups
- Treat wasp stings
- Banish dandruff
- Fade age spots
- Treat burns
- Cool sunburn
- Countertops, floors, windows and fixtures will shine
- And many, many more.

Lemons are good for you

You already know that lemons are good for you, but did you know that lemons can be used to:

- Fight warts • Heal wounds
- Clear away pimples • Combat poison ivy • Stop nausea
- Prevent jet lag • Relieve indigestion • Stop hiccups
- Clear taryngitis • Relieve hangovers • Brighten eyes
- Relieve headaches • Stop diarrhoea • And much more!

Learn about the hundreds of ways our forebears used this small fruit, what it can do for us, and the extent of its great powers.

The Garlic Handbook

Garlic is good for you! For 5,000 years this remarkable herb has been used to treat countless conditions, ailments and chronic diseases. This exciting new book lists 365 tips, tricks and little known uses for Garlic. If you value your good health you should not be without it.

SPECIAL OFFER

ORDER ANY ONE OF THESE BOOKS FOR £9.95, TWO FOR £14.95 OR ALL THREE FOR JUST £19.95

The Carnell plc, Dept. B70, Alresford, Colchester, Essex CO7 8AP or telephone our 24 hour order line on 01206 825600 (providing Dept code). Please send me the book(s) indicated below, on the understanding that I can return them at any time within three months for a refund if not completely satisfied.

☐ The Vinegar Book ☐ The Garlic Handbook ☐ The Lemon Book

I am ordering (please tick appropriate box):

☐ ONE book for £9.95 postpaid ☐ TWO books for £14.95 postpaid

☐ I enclose my cheque/PO for £ () (paid to Carnell plc)

☐ Please charge my Visa/Access/Mastercard No. () expiry date ()

Name Mr/Ms/Ms Address Postcode Signed Date

first direct

06:30



"I don't have to get dressed to go to my bank"

13:15



"I can settle my bills over the phone"

23:30



"I like the way they're on call 24 hours a day"

change your life change your bank

no more rushing to beat closing time

Not all banks are the same. First Direct set out to change the face of banking in 1989. We were committed to providing a service that enabled customers to arrange their banking around their lives, on their terms. We recognised that bank closing times were a source of bitter frustration, so we are open every hour of every day of the year. One simple phone call, charged at local call rates, gives you access to a comprehensive range of banking services. From loans to sharedealing, savings to travellers cheques. One of our Banking Representatives will be on hand to take your call from wherever you are.

never be treated like a number again

Because First Direct does not need any high street branches, we can invest the cost savings we make into training and new technology. We recruit our staff first and foremost on the basis of their people skills and then equip them with the necessary banking acumen. Our customers find that they are always treated with care and courtesy and we are always looking for new ways to help. Take bill payment — our customers can arrange to pay their household bills by phone, simply telling us who to pay, how much and when. Our approach seems to be well received as 99% of our customers actively recommend us to their friends and colleagues.

manage your money your way

Many of our customers find that just a three minute call each month is all it takes to manage their finances. With every First Direct Cheque Account comes the First Direct Card, which guarantees cheques for up to £100. Your Card also allows you to withdraw up to £500 daily from the cash machines of Midland, NatWest, TSB, Clydesdale, Northern and the Royal Bank of Scotland.

benefit from free banking, even if you are overdrawn

Incurring punitive bank charges for going a few pounds overdraw seems as nonsensical to us as it does to you. That's why at First Direct there are no charges for writing cheques, standing orders, direct debits and cash machine withdrawals, even if your account is overdrawn. You also get an automatic overdraft facility of up to £250 free of any arrangement fees, to help with monthly budgeting. All you pay is a competitive rate of interest on the precise amount you borrow.

Changing your bank is far easier than you might expect. It is worthwhile because First Direct has changed banking for good.

The time is right. Call us now on

0800 24 24 24

*Telephone calls charged at 10p per minute. Excludes calls to 0800 numbers. The telephone service is available 24 hours a day, 7 days a week. For more information, call 0800 24 24 24. (Two stamp needed) to receive more information on First Direct.

Post to: First Direct, Prospect Hill 16, Leeds, LS8 2SL.

Mr/Mrs/Miss/Ms or Title Name Address Postcode Telephone (inc. std)

Postcode Telephone (inc. std)

Postcode Telephone (inc. std)

Postcode Telephone (inc. std)

Postcode Telephone (inc. std)

Postcode Telephone (inc. std)

Postcode Telephone (inc. std)

12 obituaries / gazette

Serge Chermayeff

Serge Chermayeff was an architect, designer and thinker, one of the last surviving creators of 1930s Modernism in England. During that period he acted with energy and enterprise to demonstrate the invigorating possibilities of synthesising art and science. As a teacher in America in the second half of his life, he affirmed his delight in the world of pure ideas, often putting them to use as offensive weapons.

Chermayeff's route to architecture was unconventional. He was born Sergius Ivanovich Issakovitch at Grozny, in what is now Chechnya. His Jewish ancestors, according to family legend, had migrated from Spain to introduce new breeding stock into the cattle herds of Prince Kropotkin, soon after the Napoleonic wars. Instead of returning they were given land in the south and bred horses until the oil beneath the land earned them a sudden fortune.

They were a close-knit and cultivated family and they chose to educate Serge in England, at a preparatory school from the age of 10 and afterwards at Harrow. He first learnt drawing in England under the liberal aegis of the Royal Drawing Society.

The Russian Revolution removed the family fortune although his parents managed to escape to Berlin after the First World War. Serge had a place at Trinity College, Cambridge, but after a brief spell as an interpreter to the British forces in Murransk he began a career as a journalist covering new dance crazes, in which he participated and won several international competitions. He was tall and physically impressive, with a large head and hands. He spent a year in Argentina, where he was a partner in a dance hall in Buenos Aires and earned his passage back escorting the horse of an Harrovian friend. In 1924, after his father's death, he

assumed the name of Chermayeff and began work with an interior design firm specialising in period interiors, designing stage sets in his spare time.

The emergence of the Modernist Chermayeff took place in the middle years of the 1920s with periods of study and travel abroad. In 1928 he married Barbara Maitland May, whom he had met at a tennis party in Sussex, and became a British citizen. Her energy matched his and they remained an inseparable team. He joined Waring and Gillow to develop the Modern Design Studio, a personal scheme of Lord Waring in which the Parisian designer Paul Foliot was also involved. The bare simplicity of continental modern rooms was still unpalatable to English taste, as was the flashier side of Art Deco, but Chermayeff tackled the problem of a Modernism for England and produced rooms which were harmonious and

quietly comfortable with veneered furniture, abstract rugs and careful layout. His own house interiors at 52 Abbey Road of 1930 were at the leading edge of English design, and in the same year his interiors for the Cambridge Theatre, with golden arches concealing the auditorium lightings, went beyond Art Deco towards a systematic analysis of the audience's psychological needs.

The onset of the Depression broke Lord Waring, and Chermayeff launched his own practice as an "interior architect". He set up Plan Ltd to market modern furniture and other equipment, striving for Bauhaus quality of anonymity combined with comfort. His steel-framed chairs had sprung seats and wooden armrests. With Wells Coates and Raymond McGrath, both unconventional figures on the design scene, he designed interiors for Broad-casting House, opened in 1932. At the same time he schemed for the new world of design, founding the 20th Century Group and joining Theodore Wiedewide, Eric Gill, Paul Hindemith and Amedeo Ozenfant in launching the abortive Académie Européenne Méditerranéenne. Chermayeff's awareness of art, science and politics with Gill, J.D. Bernal, Julian Huxley and John Figg, whose abstracts of the 1930s influenced his own considerable work as a painter in later years. He appeared on radio and later on early television. Paul Nash wrote in 1932 that Chermayeff "... has probably done more to bring about a change of taste than any designer in England today".

In 1933 Chermayeff displayed a Weekend House at the Dorland Hall, a prototype for a low-rise system complete with Plan furniture, transferring and enlarging the display over the following winter at Whiteleys. He completed his first building, a small flat-roofed house in Rugby, and became a Fellow of

the RIBA. This was just in time for Chermayeff to offer a partnership to Erich Mendelsohn, one of the distinguished émigrés from Nazi Germany and a friend of several years standing. They installed their office on the top floor of the Pantheon, Oxford Street. Their combined talents won the competition for the De La Warr Pavilion at Bexhill in 1934, and when opened a year later it was the first major modern public building in Britain, technically innovative with its welded steel frame and finely finished interiors, expressive of seaside democracy. Chermayeff commissioned a mural from Edward Wadsworth to improve the spatial quality of the restaurant.

Mendelsohn and Chermayeff built houses at Chalfont St Giles and Old Church Street, Chelsea which are subtle and mature in their genre. Their office operated as two separate teams, and Chermayeff's contribution may have been undervalued, particularly since Mendelsohn spent long periods working in Palestine. He devised grand schemes for housing and hotels which remained unbuilt but introduced Chermayeff to a larger scale of thinking. After the dissolution of the partnership in 1936 Chermayeff completed the major building, the Gilbey Offices in Camden Town, an urban corner block with special sound-proofing measures, the ICI Laboratories at Blackley, Manchester and his own house at Bentley Wood, Halland, East Sussex. The latter was a timber-frame structure in Jarrah wood with cedar cladding, poised in the landscape on a brick plinth. It was treated as a research laboratory for domestic design and servicing but never ceased to be a work of art which, with Henry Moore's fine *Reclining Figure* (now in the Tate) on its pedestal at the end of the terrace, summarised ten years of searching for an English Modernism in architecture.

The Chermayeffs, now with two sons, had little time to enjoy Bentley Wood. They moved in 1938 and soon after the outbreak of war they sold up and left unwillingly for the United States since Serge could find no work of national importance despite his efforts to enlist. Their belongings were auctioned to friends or put in store, later to suffer bomb damage. Serge and Barbara set off for the west coast in a Ford convertible to seek their fortune. Conditions for practice were not easy, and although Chermayeff built two interesting small houses in the Bay Area of San Francisco he turned to lecturing and in 1943 was appointed chairman of the Department of Art at Brooklyn College, where he remodelled the programme to make it responsive to social needs in design. Chermayeff's advocacy for Britain's war effort and the radicalism of his teaching were frowned on in high places and put him at a disadvantage, but he succeeded Lázlo Moholy-Nagy as president of the Chicago Institute of Design in 1946, where he again transformed the course, introducing architecture in the context of "Environmental Design" which he saw as the total scope of architecture, design and planning. In the same year he became an American citizen.

Chermayeff became a Professor at Harvard under J.L. Sert in 1952 and ran a small practice in Cambridge mostly designing holiday houses, never without an eye to their potential as prototypes. His interest turned to the courtyard house as a solution to the problem of suburban sprawl and the inadequacies of the typical American tract house. The research was published in *Community and Privacy* (1963), written with his graduate student Christopher Alexander. Chermayeff's own house at New Haven, built in 1963 on taking up a post at Yale, is a



Chermayeff: tall and impressive, with a large head and hands

demonstration of the book's idea which can be traced back into his early career as a designer. A further book, *The Shape of Community* (with Alexander Tzonis) was published in 1971, two years after Chermayeff's retirement as Professor Emeritus. Briefly among the Yale students were Sir Richard Rogers and Sir Norman Foster.

During the 1970s Chermayeff became depressed by the condition of the world. He withdrew increasingly from public life, and on his final visit to London in 1980 told the Society of Industrial Artists and Designers: "Man faces the options of survival or catastrophe. Time is running out." Having earned a reputation for a ferocious temper, Chermayeff endured old age, deafness and Post-modernism with stoicism and a liberal flow of dry Mar-tinian at his summer cottage at

Wellfleet, Cape Cod which became his main residence after 1972, producing sheaves of abstract drawings in felt pen. His principal archive of papers was deposited at the Avery Library, Columbia University and forms the basis for the book *Design and the Public Good*, published in 1982. His drawings, of which unhappily few pre-war examples survive, were divided between Columbia and the RIBA Drawings Collection in London. He was proud of the achievements of his sons. Peter as an architect and Ivan as a graphic designer, but did not actively cultivate his own reputation which remains to be fully assessed.

Alan Powers

Sergius Ivanovich Issakovitch (Serge Chermayeff), architect: born Grozny 8 October 1900; married 1928 Barbara Maitland May (two sons); died Wellfleet, Massachusetts 8 May 1994.



Seaside democracy: De La Warr Pavilion, Bexhill, 1935

Photograph: The Architectural Press

Dr John Lawrence

The northern industrial town of Leigh and the sprawling rural idyll of Wensleydale are irrevocably joined in the minds of a whole generation of rheumatologists internationally. It was in these two diverse locations in the 1950s and 1960s that John Lawrence undertook his unique intensive surveys of the local populations to understand the frequency of occurrence and causes of the major types of arthritis.

Scores of residents willingly allowed Lawrence to question them in depth and systematically examine their joints, literally from head to toe. They also agreed to give a sample of blood and be comprehensively X-rayed whether or not they had any joint pains. The data from these surveys, analysed by hand, altered our understanding of the frequency and origins of the different forms of arthritis. Anxieties about radiation exposure and changing attitudes to public participation in research mean that such studies will never be repeated.

It was Lawrence's chief, Professor J.H. Kellgren, who had the vision to initiate this work. Kellgren, the first professor of rheumatology in the United Kingdom, provided the leadership and support which, with Lawrence's patient attention to detail, made them a formidable partnership. Their intensive surveys were of musculoskeletal complaints in coal miners in the late 1940s. Subsequently, in 1954, Kellgren successfully established the Field Survey Unit at Manchester University, funded by the Empire Rheumatism Council (now the Arthritis and Rheumatism Council). Lawrence, then a lecturer in occupational health, was the obvious choice to be its first Director. This unit is still in existence over 40 years later, an almost unique achievement in any area of

epidemiology (the study of how diseases occur in populations). Kellgren and Lawrence's early radiographic surveys showed, for the first time, how common osteoarthritis (the degenerative arthritis of ageing), with few individuals escaping. They realised that reading X-rays was subjective, resulting in differences in interpretation between even experienced viewers. It was therefore necessary to standardise the reading of X-rays for the presence and grading of arthritis. Kellgren and Lawrence therefore produced an *Atlas of Standard Radiographs* (1963), which remains the only internationally agreed scheme in common use. An investigator presenting data at an international meeting today is still likely to be asked whether



Lawrence: epidemiology

the patients' X-rays studied satisfy "K&L grade 2 or 3". Based on studies in the 1950s and early 1960s, Lawrence also demonstrated the link between osteoarthritis and obesity, with a clear gradient of increasing risk of arthritis of weight-bearing joints, particularly the knee, with increasing weight. Mechanically this association made sense. It did however emphasise that osteoarthritis was not a consequence of ageing and was, potentially at least,

modifiable by an alteration in lifestyle. The problem is that neither Lawrence nor his successors have succeeded in changing public behaviour.

Lawrence's principal fascination was with genetics. His work on genetics was not based on DNA and molecular biology but on the careful clinical study of affected individuals and their families. He compared the characteristics of such families with those he had observed in the general population and calculated what he believed to be the genetic contribution to arthritis risk. His pioneering work comparing the occurrence of arthritis in the co-twin of affected identical and non-identical twins was a landmark in this respect. It was this work that Lawrence chose to highlight in his 1969 Heberden Oration, entitled "Rheumatoid Arthritis: Nature or Nurture?" This annual lecture is probably the most prestigious award in UK rheumatology and the award to Lawrence, a man with no established academic title, was a mark of the respect in which he was held. His studies and reputation spread far outside the UK, and he trained many distinguished overseas investigators. His studies were enhanced by employing identical methods to further compare the occurrence of arthritis in northern England, with that for example in Jamaica or in a native American Indian population.

In 1977 his famous monograph *Rheumatism in Populations* was published, encapsulating his lifetime's contribution. This volume is a treasure trove of tables, graphs and charts for the serious student. Never a best-seller and not always easy to follow, it remains a unique collection of data to be cherished and exploited.

Lawrence resigned from the Directorship of the Field Survey Unit in 1968 but continued with his studies almost until he died. He was a regular visitor to the unit, pulling out an X-ray or a patient record. He maintained contact with many of his study subjects, collecting further information over the years, and continued to submit scientific communications of his findings. His brand of "shoe leather" epidemiology, with the investigator knocking on doors and painstakingly collecting his own data, has been supplanted by postal questionnaires, telephone interviews and clinic visits to a research nurse. His duplicated survey sheets have been superseded by computer-generated data capture forms appropriate for optical scanning, and his hand-calculated simple tabulations replaced by complex statistical models. Despite this Lawrence's work has survived and is still regularly quoted, an achievement in an era where results can be out of date even within a year.

Sadly in his latter years, Lawrence developed Parkinsonism that caused increasing incapacity. His regular attendances up to two to three years ago at the convivial biannual North West Rheumatology Club ceased and his contribution was missed. He was cared for in his latter years by his second wife, Inge, who also supported his continuing scientific activities. He was a quiet gentle man most at ease reading a pile of X-rays or interpreting some columns of figures. The results of his labours will continue to inform those seriously interested in the discipline well into the next century.

John Stewart Lawrence, epidemiologist: born Brechin, 24 October 1908; married 1933 Ethel Clarke (two daughters; marriage dissolved); 1973 Inge Wright; died Eccles 6 May 1994.

Alan Silman

Joan Thirkettle



Thirkettle: a general reporter with a whole range of specialisms

Good general news reporters will tell you they've got a tougher job than the Political Editors, the foreign correspondents and the other high-profile journalists. They are the people who come into the office often not knowing what story they will cover that day and then, when assigned to a story, have to make themselves instant experts.

That is how Joan Thirkettle made herself an expert in so many subjects after so many assignments over so many years. In the process she became friends with many of the people she reported about - from High Court judges to pop stars.

Her first job in television was in 1965 as a trainee researcher at London's first commercial television station, Associated Rediffusion, where she worked on the most influential pop music programme of the era - *Ready, Steady, Go*.

It was there that she first met a young record plugger, Richard Branson. Later, as an ITN reporter, she was to cover his transatlantic balloon and speedboat challenges and also the development of his business career through Virgin Atlantic and Virgin Cola.

Thirkettle's journalistic career after *Ready, Steady, Go* included spells on the *Daily Mail*, the *Sunday Times*, BBC Radio and British Forces Broadcasting, before joining the London Broadcasting Company (LBC) in 1973. The early days of LBC are a source of extraordinary legends in broadcasting and, amidst the shambles of the launch, a remarkable range of

talented people got their first hands-on broadcasting experience - Jon Snow and Carol Barnes were, like Thirkettle, to graduate from there to ITN.

Thirkettle joined ITN in 1974 as a reporter at a time when women reporters were not scarce on the screen but it was still unusual to see them on the sharp-edged hard news stories of the day.

Over the next 22 years she covered over 1,500 news stories for ITN. She reported on the famine in Ethiopia, highlighted the artistic talent of the autistic boy Stephen Wiltshire, and was a member of the ITN team which won a Royal Television Society award for coverage of the Labour leader John Smith's death. In recent years she had tended to specialise in legal stories such as the appeal made by the Birmingham Six.

Perhaps the abiding memory of the 1970s? Stuart Christie was acquitted of all charges relating to the activities of the Angry Brigade and Mr Meltzer was never considered a suspect by the police. We apologise for any imputation to the contrary.

Admiral Menezes, football player, died Rio de Janeiro 11 May, aged 74. Member of the 1950 Brazilian World Cup team, which lost in the final to Uruguay. In 41 games for Brazil, he scored 35 goals, nine of them in World Cup matches.

Maria Dolores de Borbón y Orleans, died Madrid 11 May, aged 87. Princess of the Two Sicilies and aunt of King Juan Carlos of Spain.

and foreign affairs. She was also an occasional presenter of music programmes on the radio station Classic FM. One of the great joys of her days off was to walk from her home in her beloved Gloucester Crescent, Camden Town, in north London, where she lived with her two children, Daisy and Michael, to Classic FM, just a few hundred yards away.

To fellow residents of Gloucester Crescent, who included Alan Bennett and Jonathan Miller, she was something of a community activist. She once told me when I was thinking of moving to the street that I would have to take my turn reading a lesson at the local church.

Her circle of friends went much wider than industry colleagues or local residents. It covered a whole host of people she'd met while reporting the news. She won their friendship and respect as somebody who cared strongly, very strongly, about her job but also about the people who got caught up in the news.

She will be missed by them and by the viewers to whom Joan Thirkettle had become just as much a part of their daily lives as the more famous newscasters of the day. For more than 20 years she was part of the fabric of ITN, part of its history and part of its family.

Stewart Parvis

Joan Thirkettle, news reporter: born 14 September 1947; married Jonathan Wallace (one son, one daughter, marriage dissolved); died London 11 May 1994.

Births, Marriages & Deaths

BIRTHS

SUTHER-JONES: On 12 May 1994, to Helen (nee Sather) and Neil, a son, Rory.

DEATHS

MACLEWEN: Malcolyn, journalist, author, socialist, died peacefully on Saturday 11 May 1994, in Emsay, Husband and 50 years companion of Ann, stepfather of Janet and Susan, and father of Kathy, grandfather to Jess, Dan, Becki, Ruby, Walter, Sam, Joe, Luke. We will remember him for his love, humour and zest for life. Cremation to take place at Taitford, Deane Crematorium on Tuesday 21 May at 12 noon. Flowers as desired. All enquiries, Murrell & Dewar, 111, Market Road, Macclesfield, 01433 702086.

For Gazette BIRTHS, MARRIAGES & DEATHS, telephone 0171-2631 2011. Charges are £4.50 a line (VAT extra).

Birthdays

Miss Francesca Annis, actress, 51; Mr David Ashby MP, 56; Mr Richard Balle, MEP, 52; Dr Hastings Kamuzu Banda, former president of Malawi, 91; Mr Chay Blyth, yachtsman, 56; Vice-Admiral Sir Peter Buchanan, 71; Mr Denis Cannon, playwright, 77; Mr Phil Drabble, broadcaster, 82; Sir Owen Croft, former chairman, GTR, 71; Baroness Hogg, head of the Prime Minister's Policy Unit, 50; Mr David Hubbard, chairman, Powell Duffryn, 60; Mr Peter Kirsten, cricketer, 41; Mr Geoffrey Lister, chief executive, Bradford & Bingley Building Society, 59; Lord McAlpine of West Green, former director, Sir Robert McAlpine & Sons, 54; Mr Edward Newman, MEP, 43; Canon John Oates, Rector, St Bride's Fleet Street, 66; Miss Slim Phillips, actress, 62; Sir Peregrine Rhodes, former diplomat, 71; Sir Adam Ridley, executive director, Hambro Bank, 54; Sir Leslie Sharp, chief constable for Strathclyde, 60; Mrs Patricia Turner, former trade union leader, 69; Mrs Adrienne Uziel-Hamilton, deputy judge, 64; Mr Bob Woolmer, cricketer, 47.

Anniversaries

Births: Marguerite de Valois, Queen of Navarre, 1553; Thomas Gainsborough, painter, baptised 1727; Timothy Dwight, scholar and poet, 1752; Robert Owen, social reformer, 1771; Johann Peter Emil Hartmann, composer and organist, 1805; Sir Squire Bancroft, actor and manager, 1841; Henry Oliver Walker, painter, 1843; Sir Thomas Henry Hall Caine, novelist, 1853; Otto Klemperer, conductor, 1885; Debrah Henry IV of France, assassinated by the religious fanatic François Ravallac 1610; Matthew Gregory Lewis ("Monk Lewis"), novelist and playwright, 1818; August Strindberg, playwright, 1912; James Gordon Bennett, newspaper proprietor, 1918; Henry John Heinz, food manufacturer, 1919; Sir Henry Rider Haggard, novelist, 1925; Edmund Henry Hymann Allenby, First Viscount Allenby of Megiddo, field marshal, 1936; Billie Burke (Mary William Edith Appleton Burke), actress, 1970; Jean Rhys (Williams), novelist, 1979. On this day, the English barons were victorious against Henry III at the Battle of Lewes, 1264;

the French army overpowered the Venetians at the Battle of Agnadello, 1509; Louis XIV became king of France at the age of four, 1643; Edward Jenner was successful in his first public vaccination experiment, 1796; the Oaks was first run at Epsom, 1779; Paraguay proclaimed her independence, 1811; the *Illustrated London News* was first issued, 1842; the last BBC programme was broadcast from the Savoy Hill Studio in London, 1932; the first London production of the musical comedy *The Prince of Pilsen* was staged, 1904; the Franco-British Exhibition opened at the White City, London, 1908; in Palestine, the British mandate ended and Israel was proclaimed an independent state, 1948; the first British-made Cinemascope film was shown, *Knights of the Round Table*, at the Empire cinema, Leicester Square, London, 1954; the Warsaw Pact was signed by the Soviet Union, Albania, Bulgaria, Czechoslovakia, Hungary, Poland, Romania and East Germany, 1955; the Skylab space station was launched from Cape Kennedy, 1973; the first performance of the musical *Chess* was presented, London, 1986.

Today is the Feast Day of St Carthage the Younger, St Erembert, St Mary Mazzarolo, St Martinus, St Michael Garikotis and St Pontius of Clinch.

Lectures

National Gallery: Roland Fleischer, "May-be (II): Delft School, The *Refused Glass*, a search for its painter and its meanings", 1pm; Richard Calvoecrest and Colin Wiggins, "In Conversation: Velázquez and Bacon", 4pm. Victoria and Albert Museum: Laurence Magnay, "Haute Couture 1880-1920 des deux côtés de la Manche", 2.30pm. This Gallery: Sarah Greenberg, "Kiss Me Quick: visions of the seaside as a landscape of modernity from Brighton to St Ives", 1pm. British Museum: Paul Collins, "The Clash of Empires in the ancient Near East", 1.15pm. National Portrait Gallery: Paul Webb, "Richard Brinsley Sheridan: playwright and politician", 1.10pm. National Art Collections Fund (at Imperial College, London SW7): Professor Thomas Crow, "The State

We're In: the whys and wherefores of conceptual art", 5.45pm. University College London, London WC1: Professor Fekri A. Hassan, "The Beginnings of Egyptian Civilisation: bull's tail and bird beaks", 5.30pm. London School of Economics, London WC2: Professor Colin Ward, "Anarchism in the 21st Century", 5.30pm.

Dinners

Road Haulage Association: Sir Colin Marshall, Chairman, British Airways plc, was the principal guest and speaker at the Annual Dinner of the Road Haulage Association held yesterday evening in the Great Room, Grosvenor House, London W1. Mr Pat Lee, National Chairman, presided.

Royal Over-Seas League

Lady Olga Maitland was the guest speaker at a meeting of the Royal Over-Seas League's discussion circle held yesterday evening at Over-Seas House, St James's, London SW1. Her

subject was "Current Developments in Ireland".

Foundation for Science and Technology / Royal Society

Lord Butterworth, Chairman, Foundation for Science and Technology, was in the chair at a lecture and dinner discussion held jointly with the Royal Society yesterday evening at the Royal Society, London SW1. Sir Ron Dearing, Professor Alan Southers and Dr Michael Young spoke on "A-Levels and the Qualifications Framework". Among other present were:

Lord Belfield; Baroness Blackstone; Baroness Blatch; Minister of State at the Home Office; Lady Butlerworth; Lord Dearing; Lord Jenson of Basing; Baroness Lockwood; Baroness Patten of Whitby; Lord Quirk; Lord Rooker; Sir David Davies; Sir Anthony Spedding; Sir John Mason; Professor Sir Colin Thurland MP; Dr Jeremy Bury MP; Mr Thane Doherty MP; Dr Lynne Jones MP; Mr Gary Walker MP; Mr G. Woodall MP; Mr Norman Evans; Mr Robert Rees; Mr K.H. Taylor.

ROYAL ENGAGEMENTS

The Queen welcomed M Jacques Chirac, President of the French Republic, and Prince Charles on a State Visit to Britain. The Princess Royal attends the Queen Lecture, "Vaccination Past, Present and Future", at the Royal Society, London SW1, to commemorate the Bicentennial of Edward Jenner's contribution to vaccination. Princess Margaret attends a State Banquet at Buckingham Palace. The Duchess of Kent, Patron, Anthony Nolan Bone Marrow Trust, opens the new Research Institute, the Royal Free Hospital, London NW3.

Changing of the Guard

The Household Cavalry Mounted Regiment mounts the Queen's Life Guard at Horse Guards, 4pm; 1st Battalion Welsh Guards mounts the Queen's Guard, at Buckingham Palace, 4pm.

Appointments

Mr Ian Mackay, to be British High Commissioner to the Republic of Ghana and, additionally, Ambassador (non-resident) to the Republic of Togo. Mr Richard Alan Bowman, to be a Master of the Supreme Court, Chancery Division.

THE INDEPENDENT

FOUNDED 1956

ONE CANADA SQUARE CANARY WHARF LONDON E14 5DL
TELEPHONE 0171-293 2000/0171-345 2000 FAX 0171-293 2435/0171-345 2436EDITOR: Charles Wilson
ASSISTANT EDITOR: Charles Leadbeater MANAGING EDITOR: Colin Hughes
SECTION TWO EDITOR: Simon Kelner EXECUTIVE NEWS EDITOR: Michael Williams
NIGHT EDITOR: Richard HellewellNEWSPAPER PUBLISHING PLC. BOARD OF DIRECTORS:
Liam Kelly (Chairman) Lord Burke Ben Bradlee Juan Luis Cebrian Brendan Hopkins
David Montgomery Javier Diaz de Polanco Cornel Riklin Andreas Whitman Smith
ADVERTISING DIRECTOR: Jeremy Reed

The economic pendulum swings

Where is Keynes? Where is Friedman? Economics once debated the very future of the nation: how it should be governed, how it could generate growth. Nowadays macro-economic debate is dead, buried in a suffocating classical consensus about free trade and low inflation. The real debates, and there are plenty of them, are about the small things: training policies, gas prices, education strategies. Today's inflation report from the Bank of England will be greeted with respectful technical analysis in the City. In the heyday of the monetarists, the debate about inflation was a debate about the very soul of the nation.

The shift from macro to micro isn't easy for politicians, the media and the general public to adjust to in Britain. These micro-economic debates are often technical, narrow and aimed at the long term. They do not deliver quick fixes or sweeping solutions to our economic ills. Macro-economics has become less controversial in part because we recognise that some problems (unemployment) are treatable only in the long term and others (inflation) may have been solved. So it is time to bid farewell to macro-economics as a force that can bring with it ambitious programmes of political reform? No, far from it.

Macro-economics remains hugely influential, albeit in a different way from the past. More importantly, it would be unwise to rule out the possibility that it will again recover its power to come up with ideas that can transform the way governments think, institutions work and ordinary people plan their lives. Powerful economic ideas insert themselves into policy-making in response to a deeply felt political need. That is the lesson of both Keynesianism and monetarism.

Keynesian economics emerged out of the experience of the Depression in the Thirties. Markets could not be relied upon to solve the unemployment problem; instead, government should step in to boost demand and kick-start recovery. Monetarism developed as a response to the problems of inflation in the Seventies. Economists who believed inflation was

caused by too many pound notes floating round the country called on government to set strict targets for the money supply. Each economic ideology provided its followers with a diagnosis of our economic malaise and a radical reform agenda for government to pursue.

In contrast, today's macro-economic orthodoxy is boring in the extreme. It is reminiscent of the classical ideas that prevailed across the parties in the 19th century. Free trade is an unalloyed good. Inflation must be controlled. Governments must be fiscally prudent. Markets and competition are, broadly speaking, the best ways to allocate resources and promote efficiency.

But that doesn't mean there is no ideological debate about the economic role for government. Labour and the Conservatives disagree about the best way to bring about growth - Labour advocates training and investment incentives, the Conservatives further deregulation. Which is right may matter hugely for the economy and the people directly affected by such policies. The structure of markets for gas, water and electricity may be an arcane subject for debate, but it touches people directly. These are the modern economic debates: about how institutions and cultures can be reformed to make them more efficient and productive.

Yet the shift from macro-economic to micro-economic controversy is unlikely to be permanent. Just as Keynesian and monetarist economics grew in response to practical problems, when a new persistent difficulty arises, we can expect a new economics to develop, too. At the moment, its clear what such an economics might be. The problem is the widespread sense of insecurity felt by many middle-class workers in the face of global competition and downsizing. The reaction is likely to come in moves to re-regulate the economy, move away from free trade and give workers more protection, perhaps at the expense of shareholders. The pendulum is starting to swing away from capital towards labour. Economics will swing with it.

Curbing Croatia

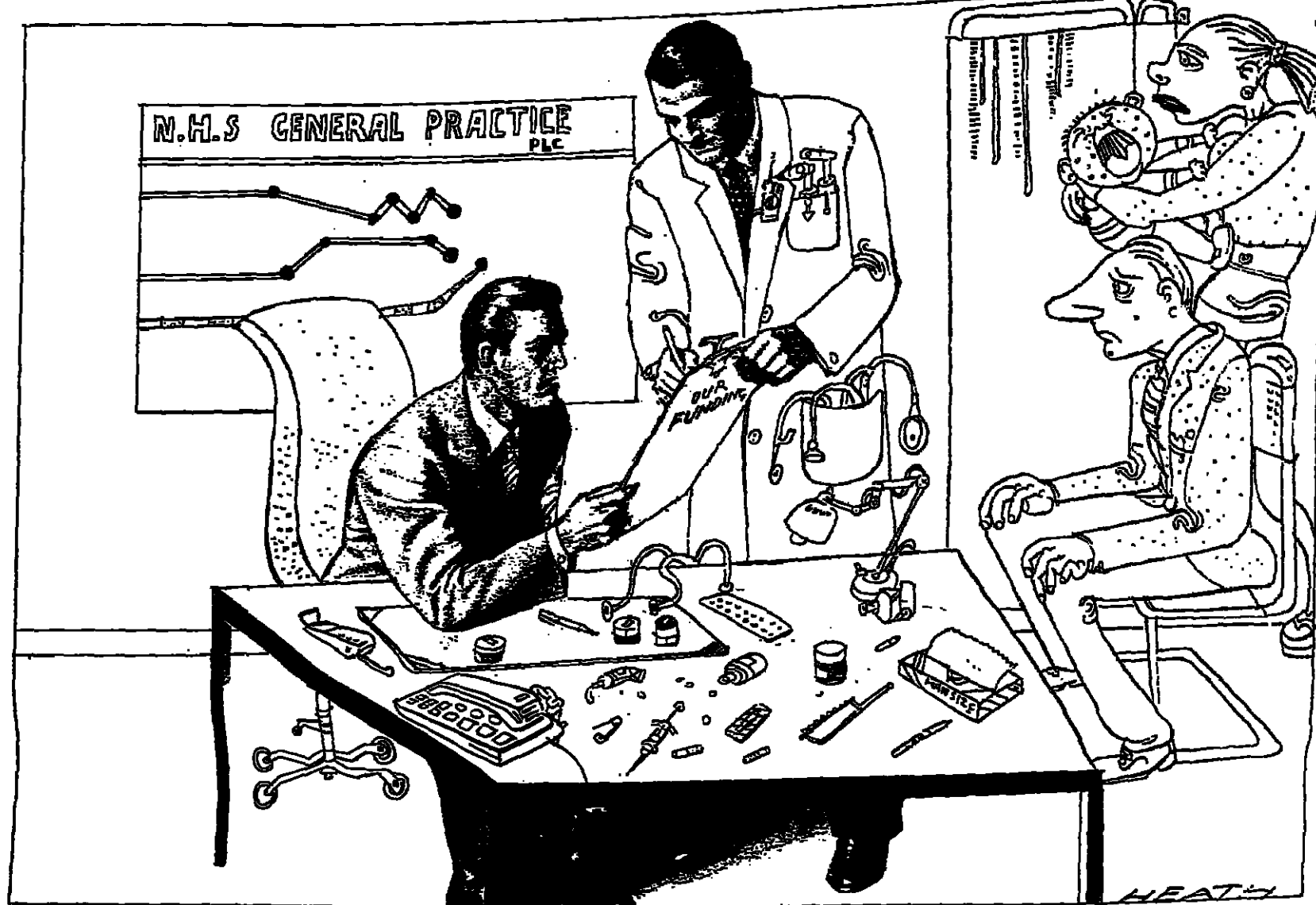
President Franjo Tudjman of Croatia has long shown a penchant for donning the kind of glittering uniforms that were once favoured by Yugoslavia's late dictator, Josip Broz Tito. Now he seems to want to govern with the aid of Tito's dictatorial style as well. He is refusing to allow the citizens of the Croatian capital to elect the mayor of their choice and is bullying the country's few remaining independent newspapers. On Wednesday, when the foreign ministers of the Council of Europe are due to decide on whether Croatia should be admitted into the institution, many will feel a strong temptation to wipe the smirk off the Balkan generalissimo's face by saying no. They should resist that temptation.

Since his victory over the Serb rebels of the Krajina region last summer, Tudjman has disappointed the West's slender hopes that he would govern in a democratic fashion. The state-run television continually accuses political opponents of working for foreign governments while the president has reneged on the promises to let Serb civilians who were not involved in the Krajina rebellion return to their homes. He has appalled many in his own country with his flirtation with the memory of Croatia's bloodthirsty wartime fascist regime.

Why should a country run by such a man be admitted to a European institution, the main point of which is to safeguard human rights?

The unpalatable fact is that isolating Croatia from Western institutions will not serve the interests of those who are suffering most from Tudjman's authoritarianism. It is more likely to bolster the hardliners who insist the ruling party must remain in power for decades to save Croatia from foreign spies and domestic traitors. If Croatia is excluded from the Council, these hardliners will be quick to wheel out the charge that Croatia is a victim of the West, given that several countries with human rights records as shaky as Croatia's, such as Russia, Slovakia and Romania, have already been admitted to the Council.

Freedom is not dead in Croatia but under threat. Indeed, it is the very vigour of the opposition press in exposing the corruption of President Tudjman's entourage that has roused him to such desperate methods. The cause of democracy in Croatia will be best served if the country is admitted to the Council of Europe, but that the maximum pressure is applied to make sure that Croatia then abides by the conditions it has signed up to concerning free speech and human rights.



'We should have become spin doctors'

LETTERS TO THE EDITOR

Take a long view and escape public spending dilemma

Sir: There is a way in which the Labour Party can solve the dilemma of wishing to increase public expenditure without being seen to increase public expenditure. It would involve adopting longer time horizons and reforming the basis of cost analysis. Housing provides an example of what this would mean.

Everyone recognises that we have some of the worst housing in the EU, much of it occupied by the eight million households receiving benefit. The main problem with the housing stock is its poor thermal efficiency, which leads to widespread fuel poverty and ill health. It is estimated that the cost to the health service due to cold- and condensation-related illness is more than £1bn a year. Faced with the problem, the Gov-

ernment has consistently suffered policy paralysis for fear of abusing the PSBR. Its only answer, the Home Energy Efficiency Scheme, barely scratches the surface.

However, if the problem were to be tackled within a 10-year time frame and the capital costs and consequent benefits of undertaking a national thermal upgrading programme considered within a single accounting system, then the picture would change dramatically. Improving the national average thermal efficiency by 30 per cent would have a profound impact on the worst cases. For example:

1. The problem of fuel poverty and its impact on benefits would be progressively eliminated.
2. Health services costs attrib-

uted to bad housing would be virtually eliminated.

3. In employment terms, one new job is created for every £35,000 spent on the retrofitting system.

4. In addition, there is the respondent factor. The European Commission estimates that at least one extra job is created for every new full-time job in construction, resulting in a substantial switch from an unemployment cost burden to income from tax and National Insurance.

In due course it will be possible to monetise the physical and atmospheric damage caused by the burning of fossil fuels, 30 per cent of which is attributable to housing. For the moment, a target of 30 per cent overall reduction in the carbon dioxide emis-

sions due to housing must be seen as an aspect of the "precautionary principle" alleged to be government policy.

A unitary capital-cost/revenue-benefit approach to policy on housing would show that a radical national retrofit programme for housing would yield a net benefit to the Exchequer over a 10-year timescale. This approach to accounting would release a whole range of other possibilities without damaging the bottom line. It might even liberate us from an idiotic system which will show that the *Sea Empress* disaster has contributed to GDP on account of the clean-up operation.

Professor PETER F SMITH
Director
Sustainable Building Network
University of Sheffield

Gay fears of the top brass

Sir: After reading your leading article on "Gays in the military" (11 May) twice without discerning a clear argument of principle, I am driven to the conclusion that homosexuals are the only remaining sizeable minority against whom prejudiced slurs are deemed sufficient to justify discrimination.

There are only two valid requirements: an impartial disciplinary code which prohibits any sexual conduct contrary to good order and discipline while on duty or on service premises; and the overdue introduction of a services culture set resolutely against prejudice, discrimination and mistreatment directed at those who belong to racial, religious or sexual minorities.

I vividly recall attending, as secretary of the Homosexual Law Reform Society, the debates that preceded the 1967 Sexual Offences Act, and in particular the ludicrous outburst with which Field Marshal Viscount Montgomery of Alamein responded to an inquiry as to how other Nato countries with more liberal laws coped with this "problem". "We are not French, and we are not other nations. We are British, thank God!" our war hero retorted vehemently.

Am I wrong in detecting a whiff of xenophobia, as well as homophobia, in the pronouncements of our present-day service chiefs? Their feverish fantasies of hanky-panky in the barracks showers remind me of the Duke of Wellington's observation that while he didn't know what his troops did to the enemy, they certainly frightened him.

ANTHONY GREY
London E14

Aged parent

Sir: On 13 May, my great-aunt Mrs Alison Graham, of Edinburgh, celebrated her 95th birthday. Her father, Sir Alexander Christison, 2nd Baronet, was 73 when she was born. It would be interesting to know whether there is anyone else alive today who can claim that their father was born in the year Franz Schubert died - 1828.

PAUL CHRISTISON EDWARDS
Bedford

Spring greens

Sir: One of the glories of Italian gastronomy is the profusion of young shoots and buds eaten in the spring and the bewildering choice of names for them (letter, 10 May). I have enjoyed cultivated hops in Kent, wild ones in the West Riding, probably *lupuli*, wild asparagus in Umbria, *bruscandoli* in Lazio, *puntarelle* in Rome and wild fennel in the Marche. They all look different and taste different.

GILLIAN RILEY
London N16

Unborn rights

Sir: It is time to change the abortion laws if we are to avoid the careless disposal of life recorded in Friday's *Independent* ("Aborted baby lived 45 minutes", 10 May). In generations to come, people will look back with disbelief at our scant regard for the rights of unborn children.

The Rev Trevor H PATERSON
Ashford, Surrey

Naval disaster

Sir: News that the total tonnage of our merchant navy is now 8 per cent of its 1974 level suggests that the Conservative Party is succeeding where Napoleon, Kaiser Wilhelm and Hitler failed.

DEREK STREETON
Westcliff-on-Sea, Essex

Disarray in Catholic ranks

Sir: The two reflections of Andrew Brown on what's wrong with English Catholicism and what's wrong with *Thought for the Day* (11 May) complement each other perfectly, reaffirming what I, for one, find every day in parish life: the whole show is so boringly remote from ordinary life as to be incomprehensible. "Does my 'ead in' in common parlance."

On the one hand, people are too sophisticated for the old, simple (semi-superstitious) traditions of childhood memory, but on the other hand are unable to synthesise modern knowledge of reality - from genetics to astrophysics - with a coherent, adult faith view. Zealots need only suspend any critical faculty to star.

As a result of this malaise, the increasing need to invent some reason for existence produces all sorts of "groupies" with special interests from rave charismatic to Latin Tridentinists. Perhaps the much-execrated Vatican Council II is so hated because it actually dared to challenge fundamental adult perceptions like anti-Semitism, cultural naivety,

bellicosity, religious exclusivity and authoritarianism.

In the wake of all this, we clergy are increasingly left to the "coffin trade" or wheely-bin religion: wheel them in for baptism and out for funerals. Somewhere in the midst of this is a garbled version of the "will of God", as in Andrew Brown's view of "orthodoxy" that an omnipotent God "wills everything". Well, all I can say is, let's hope He (She, They) can sort it all out - preferably before any impending millennial cataclysm.

FR DOMINIC KIRKHAM
Manchester

Sir: Change is a constant and the trend in civilisation is upward. The Second Vatican Council was an attempt to alert the Church to these two facts, and Archbishop Worlock was a priest who did his best to lead us in the direction the council indicated. That he and his work are a matter for criticism by the Church's conservative fringe is a measure of Archbishop Worlock's success.

DENNIS MACCAGNO
Yatton, Somerset

Post letters to Letters to the Editor, and include a daytime telephone number. (Fax 0171-293 2056; e-mail: letters@independent.co.uk) Letters may be edited for length and clarity.

The grass is always greener over here

First impressions are often worth remembering. When Robert Benchley first went to Venice, he cabled back home: "Streets full of water - please advise", but that was just an American-style joke. A far more interesting reaction was provided by the French writer Alphonse Allais 100 years ago when he went from Paris to Venice for the first time and wrote: "The most striking thing about the city of Venice is the complete absence of the smell of horse dung... which, I think, tells you a great deal about what cities were like in the 1890s."

Well, I have just made my first Eurostar trip to Paris and I think it is worth recording my first impressions while they lie hot and sticky on my mind, a bit like the *pain au chocolat* stains on my tie. Now the one thing I knew about the Eurostar route is that while going through Kent the Eurostar express trundles along at a snail's pace and while going through northern France to Paris it races along at supersonic speeds. The reason for this, we have always been told, is that the Tory government, in true British style, has never been able to get its act together to build the special Channel tunnel link line while the French, with the determination that has



MILES KINGSTON

already given them a nuclear power programme, the TGV and bombs in the Pacific, built their high-speed rail link many years ago.

Now it is certainly true that the Conservative Party's main remaining talent is for selling things off - the Tory government is a car boot sale on a gigantic scale - and this doesn't help to get new railways built, but I discovered at the weekend that there is another reason for the difference between Eurostar speeds in Kent and in northern France, and that is that there is nothing worth looking at in northern France.

It is such a dull, flat, uniform landscape between the Channel and Paris that the only natural reaction is to get through it as fast as possible. Between you and the horizon, the land barely rises or falls at all, and if it does so, it is with no more

enthusiasm than a brackish pond on a dull day. And on the landscape itself there is little more to be seen than vast fields merging into each other, occasionally separated by long straight roads leading to grey little towns. There are many parts of France with delightful scenery, as we all know, but Eurostarland (Eurostarland?) is not one of them.

It is very different when you pop up in Kent from the tunnel. The first thing you see (apart from a forest of metal fences) is the side of a chalk cliff. It is the tallest thing you have seen since you left Paris and looks immense. And then you start crawling through the Kentish countryside to give you a close-up, slow-motion view of an extremely intimate landscape, full of gardens, and trees in blossom, and oast houses, and pub gardens and village corners.

Now I know that this is deceptive, and that Euro-regulations have forced us to convert our oast houses into stockbroker homes, and grub up our apple orchards, and make Kent not the garden of England so much as the ornamental border of England until Derek Cooper is crying into his beer (which is probably brewed by Whitbread under a false name), but it still looks a lot better than what you get on the other side of the

Channel. Even when you get into the suburbs of London, you realise (if you have just returned from Paris and are still seeing things through French eyes) that there is nothing in France to rival these suburban gardens jostling next to each other, these little Kew Gardens leading up to their own Dunsroamin, each exactly the same in shape and size, and each completely different in shrubs and ambience.

My journey then took me through London and out on the old Great Western line, where on a spring evening I saw many a hot air balloon floating in the distance and, just the other side of Reading, what looked like a field containing llamas, and rabbits scattering for cover as the train came past, and I felt that there was something good about the old place...

Look, I am as Francophile as the next man, and I would rather spend a weekend in Paris than London, and I know that Ashford International Station looks like a temporary arrangement of scaffolding (and so does Waterloo International) but I still think the best advice for a Eurostar traveller from Waterloo is this: if you intend to do any sleeping on the train, do it on the French side.

HARVEY R COLE
Winchester

No European war

Sir: The current wrangling over the genesis of Second World War fighters is interesting; but more so is the fact that apparently no one questions the wild assertion by Jonathan Glancey (article, 8 May) that in 1939 "British manpower and technology was directed to building a better Europe". This is wide of the mark on a matter of current importance. The truth is that the British government and nation then were (quite properly, it might be thought) concerned almost exclusively with national survival: if in their plight they cared anything for the world beyond these shores, it was for the Empire.

ROGER LAKE
York

Faking intimacy

Sir: The way in which the media usage of "Jamie" for James Bulger converts a real child into an icon (letter, 8 May) is not unique. Did "Maggie", with its suggestion of hockey sticks, match the Margaret Thatcher of actuality? A similar fake intimacy has crept into telephone inquiries ("Nerdville Appliances, Barbara speaking"), travel ("I'm Sue and I'll be looking after you") and teacher-student relations ("Bob's taking the class"). The result, depersonalising real people, is nearly always the opposite of the intention.

Dr ALASTAIR NIVEN
Woburn Sands,
Buckinghamshire

City leans on Pearson to name Barlow successor

MATHEW HORSMAN
Media Editor

City pressure is building on Pearson to name an outsider to succeed Frank Barlow, the media and leisure company's beleaguered chief executive, institutional investors have told the *Independent*.

Unexpectedly high losses at Mindscape, Pearson's ill-starred US CD-Rom investment, was only the latest disappointment, the investors

said. The company remains unfocused and its clutch of assets too diverse. "At the very least, the company should announce as soon as possible a successor to Barlow," said one large investor, as a first step toward a radical reorganisation.

Moreover, an internal successor, the preferred option for Pearson's current management, is unlikely to satisfy institutional shareholders. Among possible candidates from within the company are

Greg Dyke, head of Pearson Television, and senior executives David Bell and John Makinson.

Mr Barlow's successor is scheduled to be named next year. A Pearson spokeswoman said last night: "I am sure shareholders are looking for comfort and reassurance. It remains our intention to move on the issue next May."

Senior management, including Mr Barlow, have been meeting with shareholders since the beginning of this month, and

further contacts are expected until well into June. Pearson declined to comment on the substance of investors' comments, although the spokeswoman confirmed that shareholders have been asking about succession plans.

In recent months, Mr Barlow has overseen a restructuring of operating units, introducing clearer lines of management control. But the company remains what one analyst last night called "a typical con-

glomerate: unfocused and underperforming."

Some investors came to Mr Barlow's defence yesterday, however. "He has made a real effort to transform the company," said one. "But he has not always been able to carry his board."

Pearson has been the subject of intense speculation in recent months, as the market lay bets it would either be taken over or forced to accept radical de-

merger proposals. While shares have shot up in recent days, they have still underperformed those of other media companies in recent years.

News that Mindscape would post losses of up to £40m this year particularly infuriated some shareholders. "It is clear that no one is taking responsibility for the disaster at Mindscape," said one.

The company has received proposals from two sets of advisers - Barings and McKinsey - laying out ways of enhanc-

ing shareholder value. These include a radical break-up plan, creating several companies out of one. Henderson Crosthwaite, the City broking firm, has calculated a breakup value of up to 900p a share, compared to last night's close of 712p.

Among the proposals is a plan to spin off the company's television interests, worth about £700m. Reports over the weekend about the possible spinoff helped push the shares up 13p yesterday.

These assets - which include Thames Television, Grunley Worldwide and US-based ACI - are believed to be among the most attractive.

It is also believed that Pearson Television's Mr Dyke would be interested in seeing a separate listing for his subsidiary, and is uncomfortable with the "culture" of Pearson's head office. But a spin-off would leave Pearson holding less valuable book publishing and leisure assets, as well as its Mindscape subsidiary.

'Draconian' curbs wipe £1bn off British Gas shares

MICHAEL HARRISON

More than £1bn was wiped off the value of British Gas yesterday as the industry regulator *Clare Spottiswoode* unveiled "draconian" new price curbs which are almost certain to result in the company opting to go to the Monopolies and Mergers Commission.

The shock announcement of new price controls on British Gas's pipeline business, TransCo International, are far more severe than had been expected and could jeopardise both the company's planned merger next year and the introduction of full competition in the domestic gas market from 1998.

The new price formula will reduce TransCo's revenues by £650m-£850m next year - more than its profits in the last two years and bigger than British Gas's total dividend payment last year.

British Gas shares plunged 27p to 201p - their biggest one-day fall apart from during the stock market crash in 1987 - as investors panicked about its ability to continue paying dividends under the new formula.

The new controls, due to take effect next April and run for five years, will cut prices TransCo charges to gas shippers by 20-28 per cent in the first year and then keep prices to RPI-X in each of the following years.

Ms Spottiswoode, director general of gas supply, said the curbs would mean £300 off average domestic gas bills next year and a reduction of £40-£50 by the end of the five-year period. Industrial and commercial

companies could make savings ranging from £600 a year for small firms to £40,000 a year for a company with an annual gas bill of £500,000.

However, British Gas chairman Richard Giordano, questioned whether any of the price reductions would lead through to end customers and suggested that they more likely to widen the profit margins of independent suppliers competing with British Gas when the domestic market is opened to full competition in 1998.

The regulator said the proposals "represent a fair balance between the interests of consumers and the interests of shareholders", adding that the targets were challenging but achievable.

But British Gas said the proposals represented "the seizure of shareholders' income on an unprecedented scale" and could undermine confidence in the entire regulatory system while putting at risk the safety, reliability and efficiency of TransCo's

transportation system. The gulf between the two sides makes an MMC referral look inevitable. Philip Rogers, British Gas's deputy chairman, said it was now "highly probable" that it would reject Ofgas's proposals, triggering an automatic inquiry by the MMC at the end of July. He denied, however, that this would compromise the planned merger of TransCo and British Gas Energy into separate quoted companies next March. Ofgas said TransCo had scope to achieve a 4 per cent productivity gains a year to compensate for the lower revenues it will be allowed.

The new formula also cuts the amount of depreciation British Gas can charge a year and the return shareholders are able to earn by lowering the value of TransCo's assets from their present £18bn to £9bn-£11bn.

British Gas said it did not accept Ofgas's proposals nor the basis on which they were calculated and took a swipe at both Ms Spottiswoode and Ofgas's consultants, accountants Coopers and Lybrand and consulting engineers WS Atkins, for their lack of understanding of business.

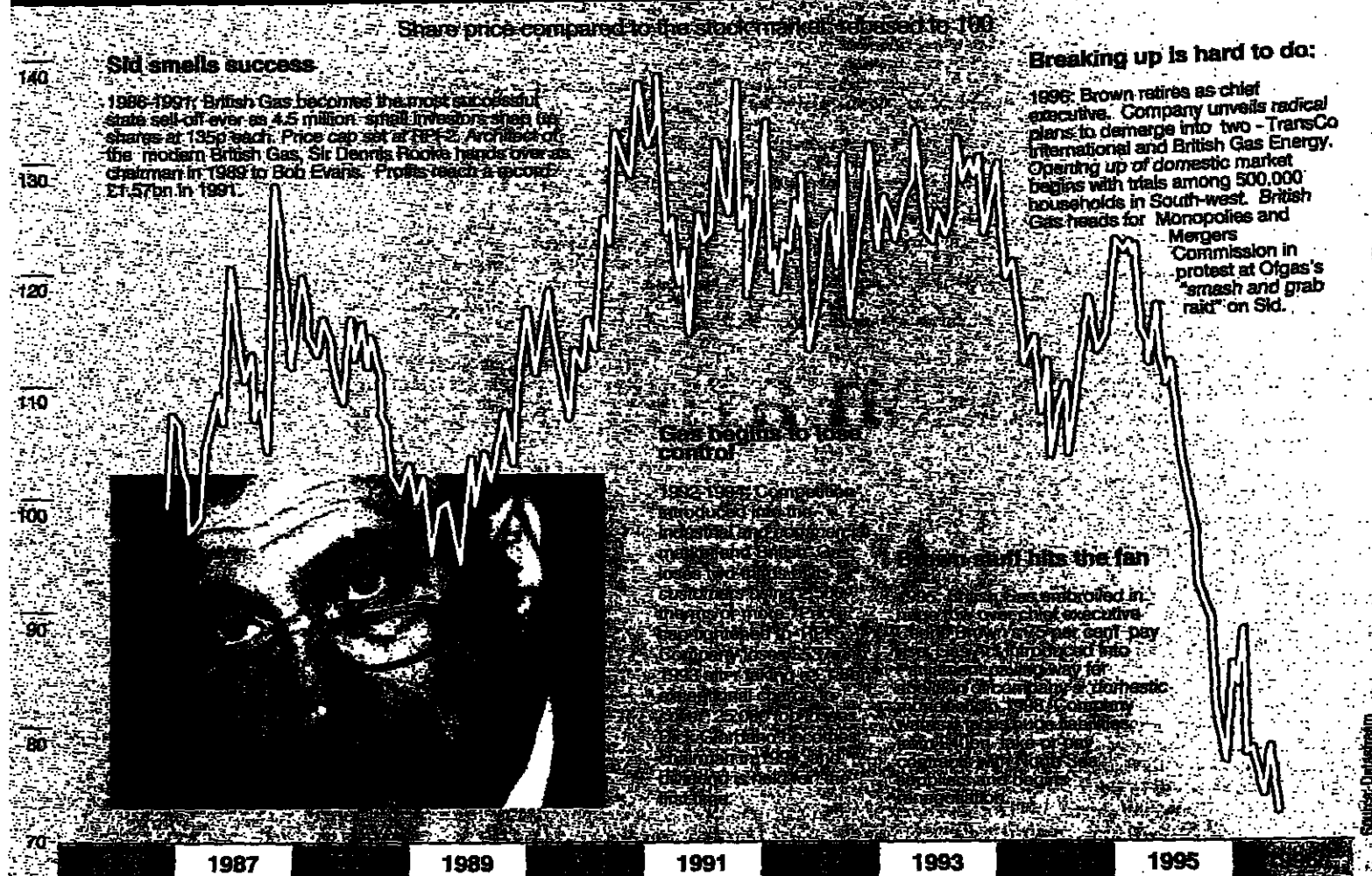
There is a mechanism in the formula to correct for under-spending or over-spending on capital expenditure - an area where Ofgas says TransCo has been over-estimating forecasts by 30 per cent. But Ofgas has rejected proposals put forward by British Gas for profit sharing of any excess gains it might make between TransCo and the 40 shippers who use its pipeline network.

Comment, page 17



'A fair balance': Claire Spottiswoode of Ofgas

Runaway success to regulatory nightmare



You should have listened to us, says Sid

NIC CICUTTI

The collapse in British Gas's share price was greeted with resignation by some small shareholders, also known as Sids, yesterday. However, many insisted on blaming the company for its past refusal to listen to their complaints.

Others claimed that despite the 27p drop in share prices, down to 201p, most of the com-

pany's 1.7 million shareholders would still be better off if the price of gas falls for domestic users.

The Reverend Dennis Nadin, of Harlow, Essex, who was at last year's stormy British Gas annual meeting, said: "This is good news for the consumer, which is my primary concern. Small shareholders, such as myself, will benefit more from the cut in prices than we would

have gained if share prices had remained as they are."

"Large shareholders have only themselves to blame for what has happened. They refused to back us in attempting to control the behaviour of the directors last year."

Mr Nadin admitted that he was a somewhat untypical shareholder: "I bought the smallest amount of shares I was entitled to back in 1986 to hand

them back in the event of the Labour Party deciding to re-nationalise British Gas."

"Since then, I have held on to the shares to argue for a greater measure of accountability among all public utilities."

Joseph Lamb, a retired physiology professor at St Andrews University, in Scotland, led a 2,000-strong small shareholder revolt at last year's AGM. He said: "I think the whole thing

has been badly handled. Personally, I blame Richard Giordano. All the problems appear to have started since he became chairman."

Professor Lamb said that soon after the AGM, his wife Bridget Cook had sold 2,000 British Gas shares she owned for 290p each: "I felt that since I had contributed to the problem that I should keep the 400 I owned."

Bank hedges bets on inflation

DIANE COYLE
Economics Editor

The Bank of England will say in its Inflation Report today that the Government remains more likely than not to hit its 2.5 per cent inflation target. But it will also emphasise early warning signals such as higher costs, stronger consumer spending and rapid monetary growth.

The report follows official figures yesterday showing that inflation at the factory gate fell last month to its lowest since December 1994.

However, higher oil and food costs meant the price of some materials bought by manufacturers picked up sharply.

There was also new evidence confirming the stronger trend in retail sales, especially for housing-related items such as furniture and carpets.

April's figures were hit by the early Easter, according to the British Retail Consortium, but annual growth in the volume of retail sales taking March and April together was 4.4 per cent against an average of 4 per cent during the winter months.

Eddie George, Governor of the Bank of England, said yesterday that inflationary pressures remained subdued.

Most City of London analysts agreed. Simon Briscoe, an economist at Nikko Securities, said: "The downward trend in output prices is very encouraging for retail price inflation over the next year or so."

Evidence on the strength of the economy since the Bank's February Inflation Report has been mixed. Ahead of retail prices for April due later this week, the Bank is expected to forecast that the target measure of inflation will fall further in the short run but that the risks of higher inflation in the medium term have increased.

Yesterday's producer price figures confirmed that manufacturers have been unable to pass on cost increases. Their output prices rose 0.3 per cent in April, reducing their year-on-year increase to 3.2 per cent from 3.5 per cent. "Core" prices, excluding food, drink and tobacco and petroleum, rose 0.1 per cent, taking their annual inflation rate down to 2.8 per cent.

The monthly increase in input costs was disappointingly high at 0.8 per cent, mainly because of higher prices for crude oil, grains and cocoa.

The 12-month rate of growth increased from 2.8 per cent to 3.1 per cent.

Core input prices rose 0.3 per cent in April but fell 0.3 per cent in year-on-year terms, leading some economists to argue that

there were no worrying inflationary implications. They see dearer oil and food, which make up nearly a third of the index of manufacturers' input prices, as temporary.

However, others were more concerned about the potential impact on inflation further down the pipeline. Michael Dicks at investment bank Lehman Brothers said: "There are latent cost pressures. If demand strengthens we will see firms passing them on."

The financial markets reckon there is no scope for another reduction in base rates from the current level of 6 per cent.

Mr George said long-term interest rates in the UK would fall if the Bank of England had explicit responsibility for keeping prices stable. That was more important than independence, he argued.

In an interview with French financial daily *La Tribune* yesterday he said: "That would improve the credibility of monetary policy, which would have an impact on long-term yields, because we would not take any risks."

Standard Life set to sell £1bn stake in BoS

JOHN EISENHAMMER
Financial Editor

The Bank of Scotland was put into play yesterday as Standard Life, Britain's biggest life mutual, announced it is considering selling its 32.5 per cent stake. A relatively muted 14p rise in the bank's share price to 252.5p suggested the market believed the near £1bn stake would be placed among institutions.

But there was also speculation that several big UK banks that had previously expressed interest in doing a deal with Bank of Scotland would now be dusting off their dossiers. Both HSBC and Barclays are understood to have made informal expressions of interest over the past year to BoS.

Standard Life said it is reviewing its stake because it has become too large for its investment portfolio.

"Standard Life continues to have confidence in Bank of Scotland's future prospects and strategies, but we nevertheless believe it could be in the

interests of our policyholders to rebalance our equity portfolio by realising some or all of our stake in Bank of Scotland," said Scott Bell, managing director of Standard Life.

It is also assumed, given the pressures for consolidation in the life mutual sector, that the Scottish giant is getting its books in order for any strategic moves it may decide to make.

Standard Life has appointed Lazarus to advise on the sale, while the Bank of Scotland is being advised by Schroders.

Standard Life initially bought the 32.5 per cent stake in Bank of Scotland from Barclays in 1985, paying the equivalent of about £250m. It is now worth approaching £1bn, and accounts for about 7 per cent of Standard Life's UK equity portfolio.

INTEREST RATE CHANGE

Investment and Savings
With effect from 14th May 1996, the interest rates for the following share and deposit accounts will be:

Type of Account	Gross % p.a.	Type of Account	Gross % p.a.
SPECIAL 85		HIGH RISE (Closed Issues)	
85 days' notice	5.25	HIGH RISE (DEPOSIT) ACCOUNT	
£100,000 and over	5.25	Instant access	4.80
C.A.R.†	5.00	£25,000 to £99,999	5.00
£50,000 to £99,999	5.11	£100,000 to £249,999	2.00
C.A.R.†	4.51	£25,000 to £99,999	1.75
£25,000 to £49,999	4.00	£25,000 to £49,999	1.50
C.A.R.†	4.25	£50,000 to £249,999	1.00
£10,000 to £24,999	4.30	£100,000 to £249,999	0.50
C.A.R.†	3.25		
£5,000 to £9,999	3.30	REDAUNT SAVINGS BOND	
C.A.R.†	2.75	(Closed Issues)	
£2,500 to £4,999	2.80	REDAUNT (DEPOSIT) ACCOUNT	
C.A.R.†	2.50	Instant access	4.75
		£250 and over	4.75
POSTMASTER (Closed Issues)		CLIENTS' RESERVE	
Instant access by post	5.45	Instant access	5.00
£100,000 and over	5.13	£100,000 and over	4.75
£50,000 to £99,999	5.00	£25,000 to £99,999	3.00
£25,000 to £49,999	4.75	£10,000 to £24,999	2.00
£2,500 to £9,999	4.05	£25,000 to £99,999	1.75
POSTMASTER (Closed Issues)	4.05	£100,000 to £249,999	1.50
£100,000 to £249,999	4.05	£250 to £2,499	1.00
£1,000 to £9,999	4.05	£1,000 to £9,999	0.50
TOP 85 (Closed Issues)		MONTHLY INCOME ACCOUNT	
7 days' notice	5.25	£25,000 and over	5.25
60 days' notice	5.00	£25,000 to £99,999	4.50
£100,000 and over	5.10	£100,000 to £249,999	4.25
£50,000 to £99,999	5.00	(Rates include 0.5% bonus)	
£25,000 to £49,999	4.25	INVESTMENT SHARE ACCOUNT	
Instant access	3.00	Instant access	3.00
£25,000 to £99,999	2.25	The bonus interest rates equivalent to those offered on the corresponding rates of HIGH RISE for balances over £5,000 will be applied in accordance with the HIGH RISE rates shown above.	
£2,500 to £4,999	2.00		
TOP 60 only	1.75		
£500 to £2,499	1.75		

The interest rates on all other accounts will remain unchanged, except where individual notification is made. Interest will be paid gross to non-taxpayers subject to eligibility and the required registration. Otherwise interest will be paid after deduction of income tax at the appropriate rate.

† Gross Compounded Annual Rate where the interest is reinvested in the account monthly.

* If the capital balance in the account is below or falls below this minimum initial investment, interest will be payable at the standard interest rate for the Investment Share Account (excluding bonus) for so long as the capital balance remains below the minimum.

§ If the balance in your account is less than £100 for a period of 3 consecutive months or more, a charge of £1 per quarter will be debited to your account. This charge does not apply to any account held by an investor under 16 years of age.

OUR CUSTOMER ADVICE LINE IS AVAILABLE FOR DETAILS OF ALL THE SOCIETY'S CURRENT INVESTMENT RATES ON PETERBOROUGH (01733) 391497.

Norwich and Peterborough
SOCIETY
185-187, THE BUILDING SOCIETIES ASSOCIATION, HAMPSHIRE, UK.
FAMILY OWNED SINCE 1834.

STOCK MARKETS				
Index	Close	Day's change	Change%	1996 High
FTSE 100	3739.20	-15.20	-0.4	3857.10
FTSE 250	4512.40	-0.40	-0.0	4568.60
FTSE 350	1897.10	-6.00	-0.3	1945.40
FT Small Cap	2228.52	+4.17	+0.2	2232.38
FT All Share	1882.84	-5.21	-0.3	1924.17
New York	5529.30	+10.16	+0.2	5689.74
Tokyo	21171.82	-348.30	-1.2	22262.05
Hong Kong	10746.00	+148.27	+1.4	11594.59
Frankfurt	2496.17	+27.39	+1.1	2550.18

INTEREST RATES				
Index	1 Month	3 Months	6 Months	1 Year
UK	6.00	5.24	4.84	4.17
US	5.34	5.81	6.75	6.82
Japan	0.44	1.13	2.47	Closed
Germany	3.31	3.28	6.35	6.93

CURRENCIES				
Index	Yesterday	Day's change	Year Ago	1996 High
£/US	1.5141	-0.0050	1.5800	1.5800
£/DM	1.6145	-0.0020	1.6740	1.6740
DM/£	2.3220	+0.0030	2.2566	2.2566
¥/£	168.935	-71.498	135.404	135.404
£/¥	0.0059	+0.0001	0.0074	0.0074

MAIN PRICE CHANGES				
Index	Price	Change	% Change	1996 High
Bk of Scotland	252.5	14	5.9	271.8
Bank of Ireland	805	35	4.5	840
Barclays Bank	86	3.5	4.2	90

Source: FT Information

business

You simply can't have your sweeties and eat them



COMMENT

'Should we be feeling sorry for the army of Sids drafted into this Thatcherite experiment in popular capitalism in the mid-1980s? We've been conned, many will be saying after the spectacular fall in the British Gas share price of the last few years. But have they?'

As Britain's most hated company (it's official, apparently), few will shed a tear for poor old British Gas even after the latest savaging from the gas regulator, Clare Spottiswoode. But should we be feeling sorry for the army of Sids drafted into this Thatcherite experiment in popular capitalism in the mid-1980s? We've been conned, many of them will be saying after the spectacular fall in the British Gas share price of the last few years. But have they?

Certainly a very good case can be made for saying that the original privatisation prospectus was a false one. What British Gas has become bears little resemblance to what was actually sold to investors back in 1986. Furthermore, the regulatory and competitive environment has been changed far more swiftly and radically than might have been anticipated then. On the other hand, nothing is for ever in this world and it was perhaps unreasonable of investors to have believed British Gas or the environment in which it operates would remain unchanged.

The reality is that British Gas has actually followed the path that all utility privatisations are meant to. Possibly it has been a somewhat accelerated one, but the glide-path is exactly as it should have been. With the benefit of hindsight, it is obvious that the company was sold on terms which were far too generous to investors and did not adequately address the interests of customers. The result of this was that in the early years, shareholders enjoyed quite spectacular

returns. In part this was deliberate - British Gas was underpriced to sell and thereby buy Tory votes. But there was also dramatic and to some extent unanticipated scope for improvement in the bloated tariff and cost structure inherited from the state. For a while, British Gas and its shareholders made hay at the expense of their customers. If utility regulation works as it should, then this apparent imbalance is addressed at the time of the periodic price review when customers get to claim the efficiency gains achieved over the previous five years.

That is precisely what is now happening and what was always meant to happen at British Gas. Taking the total return to shareholders including dividend payments since privatisation, British Gas outperformed the rest of the stock market quite nicely until a year ago. During that time the stock market has risen dramatically. Across the lifetime of privatised British Gas, then, investors have enjoyed a good, if unspectacular, return, relative to other shares and a fantastically good one relative to other "low-risk" investments. Far from being poor, the returns have actually been really quite remarkable given the type of company British Gas is. Furthermore, the underperformance of the past year has been caused as much by the company's disastrous take-or-pay gas contracts as by the prospect of regulatory crackdown.

What Ms Spottiswoode is now proposing is to reduce that overly generous rate of

return to a more appropriate level. Shareholders are not being subjected to the "biggest smash and grab ever", one of the more ridiculous of the one-liners dreamt up by British Gas's army of spin doctors to describe yesterday's proposals. They are, however, having some of the privilege of monopoly removed from them. There is no doubting that it hurts when your sweeties are taken away, but it is hardly the same as being conned.

The same fate has already overtaken BT. Over the years ahead water, electricity, and yes, Railtrack, too, will go the same way. As the regulator, and in some industries competition, begin to bite, the spectacular returns of the early years give way to more pedestrian ones.

For those of us who condemned Professor Stephen Littlechild for being too lax on the regional electricity industry, it is hard to summon up much support for British Gas. When a company screams this loud, it generally means the regulator must have got it about right. British Gas is unlikely to get much joy out of the MMC.

Don't bet your shirt on the market

Nobody rings a bell when the market turns, and we have had no more success than anyone else at calling the top of this cycle. We would be the first to admit our scepti-

cism was premature, but it would take a herculean effort to see the current resilience of the market as anything other than the flag-end of a bull run.

Many of the anecdotal signs of a peak are now in place: enthusiasm for blue-sky investments, no more clearly exemplified than by the imminent arrival in the FT-SE 100 index of the substantially loss-making British Biotech; heavily oversubscribed floatations and first day premiums, a classic indicator of stockmarket froth; a boom in unit trust sales, which means private investors are now pouring more than £1bn a month into the market; and strong commodity prices, suggesting investors on the lookout for a safe haven.

There are some good reasons for not panicking. Bids, which have already reached £10bn this year, comparing well with last year's bumper £37bn total, look set to continue in the short term despite the best efforts of Ian Lang, President of the Board of Trade. The next year could provide a last window of opportunity and merchant banks are bawling away on proposals while it remains open.

The UK market has also underperformed markedly in recent months, compared with both the Dow and other European bourses, providing some scope for relative recovery. Consumer spending is showing encouraging signs of life, the housing market is picking up and recovery in Europe means the outlook for exports is better than for some time.

The bear case looks more and more compelling, however. While not desperately overstretched, the market looks as highly rated on a basket of key valuation measures as at any time since the last serious jitters in 1989. It is normally right to worry when the market is yielding less than 4 per cent, even if in a low-inflation world that represents a decent return.

Other factors that will hold shares back this year are: the high number of gilt redemptions that will divert the overseas cash that might otherwise have flowed into the equity market; an increasingly nervy Wall Street as good growth in the US economy puts pressure on American interest rates; and the dwindling prospect of a base rate cut now if that would run the risk of a politically damaging uptick in the cost of money ahead of an election.

On top of all this, we have news, courtesy of a Gallup poll, for Merrill Lynch, of a worrying switch by UK fund managers out of equities into property and index-linked gilts. According to the survey, a balance of 35 per cent of respondents are planning to reduce their exposure to equities, a marked shift in sentiment over the last month.

The biggest concern, however, is political risk, which the most bearish analysts believe could wipe 15 per cent from the market's current level if foreign investors take fright. Sell in May and go away has hardly earned its keep as a reliable stockmarket saw in recent times. This could well be its year.

Bae to back bid for Thomson after missile alliance

MICHAEL HARRISON and CHRISTOPHER BELLAMY

British Aerospace is set to back a joint bid for the state-owned French defence electronics group Thomson-CSF following the announcement yesterday of a £1bn tie-up with another French group, the missile producer Matra Hachette.

The announcement came on the eve of President Jacques Chirac's state visit to Britain today and marks a further stage in Anglo-French defence co-operation following GEC Marconi's link-up on sonars with Thomson.

Bae is to pool its own missile division, Bae Dynamics, with those of Matra to create Europe's biggest missile supplier with combined sales of £1bn a year and 6,000 employees. The new grouping will provide a powerful European competitor to US groups such as Lockheed Martin which merged last year.

France's Aerospace and Daimler-Benz Aerospace of Germany combined their missile businesses six months ago. As part of the deal Bae has also agreed to "support" plans by Matra's parent company, Lagardere, to acquire a majority

shareholding when Thomson-CSF is privatised.

A Bae spokesman said this could involve financial backing. Bae's interest is in combining some of Thomson-CSF's missile operations into the new Anglo-French joint venture with Matra.

The new company, to be called Matra Bae Dynamics, will be owned 50:50 and will have a British chairman and a French chief executive. It will be registered in France.

Bae is to pay the joint company £50m to £110m over the next four years dependent on the level of orders it captures. The payment reflects the slightly larger size of Matra Hachette which accounts for about 60 per cent of the combined turnover.

Bae's dynamics business is based in Stevenage, Bristol and Luton and employs just under 3,000 people. Matra employs a further 3,000 in France.

The two companies are already teamed on the Casom project - a air-launched cruise missile flying at just under the speed of sound with a range of 250 km - for the Ministry of Defence. The missile is known as the Storm Shadow, and is a vari-

ant of Matra's Apache.

Matra and Bae are also partners in the consortium supplying the Future Medium-Range Air-to-Air Missile, called the Meteor, for the Eurofighter. The Meteor is a ramjet-powered missile, flying at three to four times the speed of sound and able to destroy enemy planes at 50 miles. The contract may be worth up to £90m.

Bae's product range includes the Rapier ground to air missile, the Trigat anti-tank missile and the Asram advanced short-range air-to-air missile being supplied to the MoD. It also makes two naval missiles - the Sea Wolf which is used to arm Royal Navy frigates and the Sea Skua anti-ship missile.

The Matra range includes the Mica family of air-to-air missiles, the Apache air-to-ground missile, the Mistrale surface-to-air missile and the Milas torpedo.

The two companies have been negotiating a merger of their missile businesses for nearly two years and the deal still needs UK and French government and regulatory approval. Provided that is forthcoming it will be the first of the European defence alliances that Bae chief executive Dick Evans has been seeking.

Make-or-break Apple cuts model range



Getting down to core products: Apple chief executive Gilbert Amelio

DAVID USBORNE
New York

Apple Computer is cutting its model range in half to about 20 and reducing the number of operating systems it sells from six to one in another drastic attempt to cut costs and revive its fortunes.

The new strategy, regarded by many analysts as a make-or-break moment for the once-mighty-but-now-hobbled computer company, was announced yesterday by its recently installed chief executive, Gilbert Amelio, at a conference of software developers in California.

In one glimmer of good news, Mr Amelio told the developers that sales of Apple products rose by 40 per cent in April over March. Shares in Apple were unchanged at midday yesterday at \$27.25 after Mr Amelio's comments.

Mr Amelio took over at Apple in February after the ousting of his predecessor, Michael Spindler. At the time, the company was in deep crisis, having just announced a quarterly loss of \$69m and plans to lay off 1,300 staff. Squeezed by the increasing market domination of the Windows standard, combining Microsoft's Windows operating system with Intel's chip technology, it had seen its world PC market share drop to 7 per cent.

Since his arrival, Mr Amelio has weathered the announcement of a subsequent quarterly loss of \$740m - the worst in the company's history - which included a large inventory write-down, while he has moved to sell

a manufacturing plant in Colorado and to eliminate another 1,000 jobs.

So intently anticipated was Mr Amelio's speech that some observers were comparing it to the introduction in 1984 of the first easy-to-use personal computer with the Macintosh operating system. That transformed Apple into America's number one PC manufacturer.

Under Mr Amelio, the company has also signalled its intention to focus intently on developing products to make it easier for consumers to explore and use the Internet.

"I have a vision for this company, I have a dream, if you will - to bring computing to rest of us," Mr Amelio told yesterday's conference, noting that global sales of computers are expected to double by the end of the millennium.

Mr Amelio said he intended to cut the number of models made by Apple by 50 per cent over the next 12 months. Meanwhile, by paring the number of Apple operating systems from six to just one, he said he hopes to focus all of the company's energies on the Mac system.

Through his cost-cutting strategy, Mr Amelio signalled that he expected to be able to make Apple profitable again on a total revenue of \$9bn, compared with the \$11bn in revenue generated by sales in 1995.

Mr Amelio is also accelerating Apple's slow change of heart in agreeing to allow other manufacturers to clone Apple systems under licensing agreements.

Bosses fear Labour crackdown on councils

BARRIE CLEMENT
Labour Editor

The number of companies forced to establish European works councils will double under a Labour government, according to employers' leaders.

Some 300 UK-based multinationals will be covered by the Brussels directive, compared with the present 150 because a Blair administration is expected to sign up to the Social Chapter of the Maastricht Treaty.

The full impact of Labour policy will surprise British companies, many of which are strongly suspicious of works

councils, and could damage Mr Blair's attempts to make his party appear business-friendly.

Peter Reid, an employment law specialist at the federation, yesterday pointed out that under the Social Chapter British workers would be included in the count to decide whether firms were big enough to be covered by the directive. All companies with 1,000 staff in the European Union with at least 150 in each of two countries have to set up legally backed structures to consult and inform employees. At the moment only workers in Continental EU countries are used in the calculation.

Mr Reid said that while Britain was currently third in the league table of European economies affected by the law, Labour policy would put the UK at the top because of the existence of a large number of medium-sized firms.

The federation yesterday pointed out that there were just 100 working days left before companies which met the present conditions could establish a voluntary structure. After 22 September, UK-based multinationals will have to enter legally backed negotiations to establish the structures.

If a company refuses to co-operate, then employee repre-

sentatives can apply for a council to be established within six months of the deadline.

Genuine negotiations prove fruitless, a works council structure will be imposed in September 1999.

In informal contacts with the Labour Party Mr Reid believes he has won assurances that companies would be given a fresh deadline to reach a voluntary agreement. The federation has asked for a "breathing space" of up to two years.

A future Labour government would also have to introduce its own laws on how negotiations should take place and the exact structure of works

councils. Till then companies can opt to be "headquartered" for the purpose of works council legislation in any country it found the most favourable.

Under the status quo, German laws were among the most strict, providing for imprisonment where there was unconstitutional interference with the business of works councils. The law in Ireland appeared to be the most liberal.

The federation official said that some British businesses were facing a "very messy" time after 22 September. He estimated that some 20 companies did not appreciate the full impact of the legislation.

ITV companies launch ad blitz

MATHEW HORSMAN
Media Editor

ITV companies yesterday unveiled a television and press marketing campaign worth as much as £30m, in an effort to see off commercial competitors and to attract new viewers.

The campaign marks a step toward much closer co-operation among ITV companies, which have squabbled in the past over issues such as scheduling, production and advertising share. It follows confirmation last week that the ITV companies will also develop common plans for the launch of digital television services.

Launching the marketing

campaign, Steve Morrison, managing director of LWT and chairman of the ITV Marketing Group, said: "We are out to show that ITV is the most popular television channel in Europe."

Developed by M&C Saatchi, the campaign comprises six new 60-second TV adverts, the first of which was launched on ITV last night. In addition, ten 10-second commercials will be peppered throughout the schedule from now until the end of the year.

The adverts feature well-known ITV personalities extolling the virtues of other network programmes. Jack and Vera, from *Coronation Street*, wax poetic about the *South*

Bank Show, while two regulars from *Gladiators* debate the relative merits of contemporary and costume dramas.

The television campaign represents about £26m worth of ITV air time. The ITV companies are also spending £5m on press and trade advertisements, posters and some special "multimedia" events. All adverts will include the ITV-3 logo and the words, "Britain's most popular button."

The commercial broadcaster has angered advertisers by pushing rates higher year on year, despite declining audiences and a bitter battle for viewers with the BBC and Channel 4.

BUSINESS HAS NEVER BEEN IN BETTER SHAPE.



First we collect you from your home or office. Then we fly you across the Atlantic in First Class comfort. And finally a limousine will meet your flight in the U.S.A. to take you to your final destination.

All for a Business Class Fare.

And now, because of the unprecedented success of the BusinessFirst experience, there are more flights, with a choice of departure times to both New York and Houston from London Gatwick as well as the daily flight to New York from Manchester. All leaving you in better shape to do business.

See your travel agent or call Continental Airlines on 0800 747800.

Continental Airlines



*Limosines are available to full fare paying passengers who originate travel and purchase tickets in the U.K., Ireland, Isle of Man, Jersey & Guernsey, up to a 50 mile radius of London Gatwick and Manchester and 40 miles of other principal airports, as well as all major U.S. destinations served by Continental. Limosines must be reserved in advance.

business

Eager Beazer puts faith in Church

Beazer Homes' £35.7m deal to buy Charles Church, the all-but-failed-up-market housebuilder, looks pricey on the face of it. Now the UK's third-largest builder, Beazer believes it has done well to pick up such a good name for a mere £3m in goodwill and in just the area of the market where it has stated its intention to expand.

But that goodwill calculation would have been higher had Beazer not increased the value its puts on Church's assets. It also assumes that the £9.8m value ascribed to the 6,500 plots without planning permission in its "strategic" land bank is anywhere near accurate.

Whether those values are right or wrong, the short-term returns on the sale look set to accrue to the Royal Bank of Scotland rather than Beazer. The bank converted from being the group's leading lender to its owner in February after buying out the nine other banks in the lending consortium in a deal worth £13.6m. Even adding back the £14.5m in (written-down) loans it had sunk into Church, the Royal Bank appears to have made a decent turn on yesterday's sale.

By the same token, Beazer is not buying the same group which in the 1980s was a by-word for luxury homes in the South-east of England. The sudden death of its eponymous founder in 1989, combined with five years or so of recession, have clearly taken their toll on Charles Church. At its peak in 1988, the group sold 575 houses at around £500,000 apiece to return profits of £18m. By contrast, in the year to last August Church sold 193 units and made £4.1m before interest charges of around £3m, and Beazer concedes that trading has deteriorated somewhat since then. Perhaps the most telling feature of the group's decline is that the average selling price had tumbled to £180,000 by last year.

That said, Beazer's contention that the past should be no guide to the future carries some weight. The deal, which it claims will be earnings-enhancing, includes a three-year landbank and a company making an operating margin of 11.8 per cent, well up with the best in the industry and Beazer's own margins.

More importantly, despite its decline in recent years, the brand name remains strong in the South-east and should provide a strong platform for Beazer's ambitions to roll it out across the country. The aim over the next four to five years is to grow Church back to the level where it is again building between 500 and 600 houses a year. And as the rich get richer, this area of the market should see significant growth

THE INVESTMENT COLUMN

EDITED BY TOM STEVENSON

In the future. In the meantime, though, the shares, unchanged at 195p, are up with events on a forward p/e of 16 until the outlook for the housing market becomes clearer.

Game-over time at Kunick

Investors in gaming machine operator Kunick have been on a winning streak since the sale of half its nursing homes associate Goldborough eased the debt burden by £30m. Anybody brave enough then to buy shares at their all-time low of 3p is now showing a 1,000 per cent return.

The launch of the National Lottery threatened to reverse their run of luck until new gaming laws were introduced. The new rules raised the prize limit on one-arm bandits in pubs and amusement arcades from £5 to £8 in tokens. All-cash fruit machines are being installed from July.

But it was the prospect of Kunick tapping into Britain's 9,000 betting shops

that has sustained interest in Kunick's shares, which almost doubled in the last year. Bookmakers will be able to install two machines in each shop when the new rules come in this summer.

With 16 per cent of the country's 200,000 fruit machines, Kunick looked well-placed to take advantage of a market analysts reckoned could generate £1m extra profit for every 3,000 new machines.

Kunick, though, now says it is not going to chase market share when bookies install up to 15,000 machines. Chief executive Russell Smith insists Kunick will have "a decent representation" but it will not take on loss-making betting shop contracts.

He may be right, but unless analysts overestimated the size of this market, Kunick's more lukewarm stance suggests it is struggling in the face of tough competition from the likes of Leisure Machine Services, the Bass-owned market leader.

The cost of upgrading existing machines was one reason why interim pre-tax profits released yesterday fell from £7.5m to £4.0m, though the main culprit was the absence of a £3.9m ex-

ceptional gain taken last year when Kunick sold 50 per cent of its French nursing homes business.

Brokers have pencilled in pre-tax profits of about £10m, implying a p/e ratio of 20 falling to 16 next year if £11.7m is made. The shares fell yesterday 0.75p to 30.25p and are likely to slip lower now that the de-regulation story appears, for the time being, to have run its course. Take profits.

Fair MAID not for faint hearts

MAID, the on-line business information group run by Dan Wagner, 31, is riding the crest of the Internet wave. In an eventful two years on the stock market, its shares have risen from the 100p issue price to 259p while the market capitalisation has soared to £240m. This is quite an achievement for a company that racked up sales of less than £10m last year and is forecast to make losses of £3.7m in 1996.

The value is based on MAID's impressive technological know-how, which it harnesses to supply business information such as newspaper cuttings, market research and news wire services to a growing subscriber base. It doesn't own the copyright of this information but has developed systems that sort and package it in a way few rivals can match. Given the vast mass of information available on the Internet, that is an important selling point.

MAID's position in the market is strong if not impregnable. It has 10 years of experience in the field, giving it a significant head-start on many rivals. Yesterday's first-quarter figures were broadly as expected, with a dive into the red as MAID invests in new sales offices and a larger sales force. Losses of £1.4m in the three months to the end of March compared with £211,000 profits in 1995. Sales were 60 per cent ahead at £4.5m. Subscriber revenue amounted to £2.2m.

The company has also been busy signing up deals with IBM to supply electronic business intelligence and with Forte to provide hotel guests with access to the Internet.

As with biotech stocks, the other stockmarket flavour of the month, raising companies like MAID is more art than science and all about taking a bet on unquantifiable potential. Broker Charles Stanley is forecasting losses of £3.7m this year turning into profits of £12.6m in 1997. A good long-term prospect, but, as with all technology stocks, not for the faint-hearted.

An awarding day sends spin doctors into a whirl

CITY DIARY

JOHN WILLCOCK



Sir David Simon: Businessman of the Year

Hectic scenes yesterday as Sir David Simon, chairman of BP, picked up the prestigious KPMG Businessman of the Year award. At lunch time the press office at accountants KPMG had to pick up an award of their own first - the Public Relations Award of Excellence, for their leadership programme with rugby hero Will Carling.

The spin doctors then had to charge across London from the Intercontinental Hotel to the Savoy, where industry grandees such as Sir Colin Marshall of British Airways were waiting to present their award to Sir David. Everything went off smoothly, including the after lunch speech by Peter Mandelson, Labour MP for Hartlepool and no mean spin doctor himself.

No doubt Gordon Brown's accusation a fortnight ago that accountants like KPMG were "peddling lies" about Labour's tax plans was long forgotten.

Embattled Ken Clarke stuck up two fingers at the Euro-sceptic right wing of the Conservative Party yesterday by recruiting two new special advisers to Treasury ministers - one from the BBC and one from the European Parliament.

It is hard to decide which will cause most frothing at the mouth by the Gorman Tendency. Anthony Trusdale has been appointed as Special Adviser to the Chancellor of the Exchequer, and

Forget Sid, the most enthusiastic private shareholder in the world must surely be Nicolae, his Romanian counterpart. Over 95 per cent of the adult population have opted to invest directly in companies via Romania's Mass Privatisation Programme. All citizens over 18 were given coupons to invest, and could opt for five-year investment funds or direct investment. The subscription period has just closed and the figures for investing in one firm have exceeded all expectations. Nicolae will trade his shares on a Nasdaq-style system. I hope he knows that shares can go down as well as up.

joins from the Conservatives in the European Parliament, where he was Senior Policy Adviser and previously Head of their London Office.

Paul Gardner has been appointed as Special Adviser to the Rt Hon William Waldegrave, MP, Chief Secretary to the Treasury. Gardner joins from the BBC's *On the Record* programme. Good luck chaps - you'll need it.

ITV were leaving nothing to chance last night with their live interview of OJ Simpson. All the questions put by Granada TV's Richard and Judy were prepared by an unimpeachable outside expert - Gary Sotis, legal affairs adviser with ITV's arch rivals Sky News. They'll have Rupert Murdoch reading *News at Ten* next.

An extremely tanned and relaxed-looking Sir Rocco Forte was seen lunching at the Savoy Grill yesterday, one of London's most important sites for power lunching. One wag was heard to comment that the Savoy mu... he one of the few hotels in London not wholly owned by Grenada. Sir Rocco's nemesis. Whatever, the Forte scion looked to be happy to be relieved of the burden of such a big business...

There was wry laughter from workers in London's Canary Wharf yesterday, the *Independent* amongst them, when the four organisations chosen to tender for the franchise to the Docklands Light Railway were announced.

The DLR, Canary Wharf's main link with central London, has become a byword for delays. At the moment it receives revenues of £9m a year against £23m costs. One of the potential franchisers is Docklands Area Rapid Transit, a joint venture between Go-Ahead Group and VIA GTI. If they can make the DLR truly "rapid" they will have performed a miracle.

Asbestosis ruling poses new setback for T&N

MAGNUS GRIMMOND

T&N, the engineering group, has suffered a new blow in its attempt to put a cap on its multi-million pound asbestos liabilities after a US court upheld an appeal against a class action settlement reached in 1994.

The ruling, coming just after the appeal court in London extended T&N's liabilities on this side of the Atlantic, represents the second setback in six weeks for the group, which as Turner & Newall was once one

of the world's largest asbestos groups.

The shares plunged 13p to 162p yesterday, wiping nearly £70m from the group's market value.

T&N has already paid out over £350m in asbestos claims over the past 11 years, of which over £300m has gone to individual victims in the US. The latest ruling threatens the so-called Georgine settlement reached by the Center for Claims Resolution, a co-operative involving 20 asbestos

groups of which T&N is a member, which had attempted to cap those liabilities by creating a judicially approved framework for settling out of court the tens of thousands of claims for asbestos-related diseases coming forward every year in the United States.

Last Friday's successful appeal on procedural matters threatens to bring claims back into the courts by lifting the injunction that requires all claimants to use the settlement procedures. T&N has yet to decide what to do next. It has 21 days to mount an appeal against the ruling and it is understood that a high-level representative of the company has flown to New York to meet other members of the CCR to discuss their next move.

A source at the company said yesterday that their legal advice was that there were good grounds for challenging the judgment. But he admitted that the ruling was a setback.

"The main idea was to stop lawyers making a lot of money

and for people to get paid more quickly." The latest judgment meant that future claims would be more costly than under Georgine and there would be more of them, he said.

"I think what you will see is a greater number because there will be a number of scurrilous claims and the legal cost will be higher because we will have to eliminate those."

Sandy Morris, engineering analyst at NatWest Markets, said the decision meant "a lot of good effort and hard work

had been undone... the sums may not rise materially, but what poor old T&N needed was an end to uncertainty."

He said the one glimmer of hope was that the ruling had not relied on constitutional ground of a denial of human rights. However, the latest news along with worries about the car markets into which it sells many of its products were likely to cause him to downgrade his profits forecast for this year from £135m to between £125m and £130m.

media marketing sales

All the latest news for media, marketing and sales professionals with two pages of new positions on offer

See pages 21 - 22 section two

To book your advertisement call James Cooper on 0171 293 2301

Every Tuesday in THE INDEPENDENT section two

Richards shares dive on warning

NIGEL COPE

Shares in Richards Group, the Birmingham-based specialist engineer, plunged more than 20 per cent yesterday when the company warned of a "substantial" pre-tax loss for the year to December.

It also announced the withdrawal of the dividend and "certain accounting errors" in its accounts. Finance director Nicholas Morgan offered his resignation which has been accepted with immediate effect.

Richards, which makes steel support systems used in bridges and power stations, reported profits of £276,000 last year and was expected to increase profit to around £400,000 this time. The shares fell 8p to 25p on the news.

The company said that during the audit of the year-end accounts, the company was made aware of certain accounting errors which led to the management accounts being overstated.

The errors primarily relate to costings used in the contracting

and access flooring business where the reported margins were much higher than those actually earned.

Though Richards made profits of £1.4m in 1990, its performance has been patchy since. It has made only negligible profits since 1992.

Recently it has achieved some success in the export market, selling steel supports to the Far East and Pakistan. Last year the company reported tripled profits of £276,000, helped by improved confidence in the engineering sector and a 32 per cent increase in exports at the engineering business.

The company also said that the proposed landfill tax which was unveiled in its last Budget had led to an increase in inquiries from the foundry industry about its thermal reclamation technology.

It is the second time in three years that shareholders have suffered a dramatic cut in the dividend. In 1993 the company slashed the pay-out from 4.4p to 2.25p, blaming the recession.

Jobs cut as Powerstore shops are closed

NIGEL COPE

Administrators at Powerstore, the collapsed electrical retailer, closed 31 of the shops yesterday with the loss of 245 jobs. A further 24 head office jobs will also go, including those of founding chief executive Clive Viotman and finance director Bill Colley.

Most of the shops that will close are high street locations in the East Midlands and Yorkshire. The remaining 54 shops

will remain trading while a buyer is sought. Administrators Arthur Andersen said they had received several expressions of interest from potential buyers though none had been for the whole group. It is likely that the remaining 54 superstores will be attractive, though a buyer for the smaller high street outlets may prove elusive.

Commenting on the closures, David Duggins, an administrator, said: "We have undertaken

a broad ranging review of the financial and trading prospects for the businesses and individual stores. There are a number of cases where an electrical outlet is clearly not viable in the face of competition from out-of-town stores. Furthermore, in the case of some superstores, there is already a substantial over-capacity in those locations."

As a result, seven of the out-of-town stores are to close. Mr Duggins said he has written

to over 700 customers who have paid or made deposits for goods which have not been delivered. Powerstore was created in 1993 through the acquisition of a group of stores from London Electricity. Last year it bought 70 stores from East Midlands and Yorkshire Electricity. It collapsed at the end of April with debts of £20m after a period of intense competition which saw many retailers withdraw from the market.

Another 570 go at Yarrow yard

PETER RODGERS

Yarrow Shipbuilders on the Clyde is to lose 570 jobs over the next three months, bringing the total reduction since the start of the year to about 1,000.

Yarrow blamed the new job losses on a gap in the order book, despite the fact that the yard won a £400m order in February from the Ministry of Defence to build three Type 23 frigates.

When the redundancy programme was first unveiled in February ahead of the announcement of the Type 23 order, the company hinted that 1,000 jobs or more might have to go unless the Type 23 came to Yarrow.

But now the threatened total has been reached even with the order in place.

A spokesman for Yarrow said today: "We always said there would be a second batch of redundancies. We thought that would be in April, we have managed to hold it off until May."

Of the total to go, 490 man-

ual workers and 80 staff and managerial employees are affected, mainly from the production side.

The workforce at the yard will have reduced from 2,900 at the beginning of the year to 1,900 in three months' time. A Yarrow spokesman said: "In the longer term we'd like to recruit people again."

Yarrow is owned by GEC which last year took over the VSEL shipyard at Barrow. GEC gave assurances that it would keep both yards open.

George Kerr, a convenor at the yard, said unions were warned during the last round of redundancies in February to expect many more jobs would go because of a gap in the order book and in ship building programmes.

"We were told to expect hundreds of redundancies and hundreds we have received. The mood is depressed, heads are down and morale is low. Everybody is just low in spirits."

He did not expect the jobs situation to improve at the yard until next year.

IN BRIEF

• Marks & Spencer would face costs of about £100m to change its cash registers if a single currency was introduced in Europe, company finance director Robert Colvill told an all-party Treasury Select Committee of MPs investigating the third state of economic and monetary union.

• Japan's current account surplus shrank further in March to ¥1,263m from ¥1,380m a year earlier. The surplus on trade in goods declined by just over 7 per cent to ¥1,369m while the deficit on services increased to ¥502.7m from ¥438m.

• Ladbroke chairman John Jackson has confirmed that the company is in talks with Hilton Hotels of America which could lead to a deal. Ladbroke already controls the Hilton International name outside the US. Talks were at "an early stage" he told shareholders at the annual meeting yesterday. Current trading is encouraging at Hilton in the first four months of the year but marginally down in Ladbroke's betting and gaming divisions.

• John Mowlem, the construction group, has announced that finance director Charles Barton will leave next month. Gerry Brown, deputy chairman, will take over until a replacement can be found.

• Interbrew is in exclusive talks with Whitbread about a long-term licence for Whitbread to brew four brands of Interbrew's Labatt beer in the UK. Any UK licence would cover brewing of Labatt's Canadian Lager, Labatt Blue, Labatt's Ice, and Rolling Rock brands and would involve production of about 400,000 barrels a year.

• Walt Disney will sell Los Angeles television station KCAL Channel 9 to Young Broadcasting Inc for \$385m (£254m). The Federal Communications Commission ordered Disney to sell KCAL as a condition of its approval for the acquisition of Capital Cities/ABC Inc.

• WH Smith director John Roberts will leave the company in June after 22 years with the company. He is managing director of the distribution services division and also headed the business supplies division before its sale to French group Guilbert.

COMPANY RESULTS				
	Turnover £	Pre-tax £	EPS	Dividend
Anglo Pacific (p)	3.23m (4.00m)	-5.0m (-0.05m)	-5.0p (-1.50p)	nil (nil)
Fininvest (p)	125m (105m)	8.24m (5.51m)	5.81p (4.27p)	1.7p (1.43p)
Rankin (p)	58.7m (50.8m)	4.0m (7.8m)	0.5p (1.75p)	0.3p (0.25p)
Ward (p)	4.5m (2.82m)	-1.4m (-0.21m)	-1.81p (0.17p)	nil (-)

(p) - Profit (l) - Loss (nil) - First quarter

Win a £3000 holiday in Antigua

The Pineapple Beach Club resort will be the stunning 4 star host to our winner on the beautiful island of Antigua. Our lucky winner and their guest will win a seven night stay including return flights from Gatwick, transfers, all meals, drinks and sporting activities. This great prize is courtesy of Tropical Places Ltd, specialists in affordable holidays to some of the world's most exotic destinations.

For more info on Tropical Places see TV Times pages 259 & 260 or call for a brochure on 01342 825555. To enter, simply dial the number below, answer the two questions on line and leave your details. So call: 0891 161 911

Calls cost 30p/min. Lines open 9am-5pm. Winner picked at random after 1st prize draw 25/05/96. Usual Newspaper Publishing rules apply. Inland travel & airport tax not inc.

business

Bears set to make way for bulls on Russia's prospects

The Coming Russian Boom is a good read-me title for a book. The popular assumption, certainly within most of the business community, is that while China presents enormous economic opportunities for the West, Russia will remain pretty much a basket case. China, it is often argued, got its reform process in the right order, introducing the market economy before contemplating any greater measure of democracy; Russia, on the other hand, got things wrong by allowing political change before economic reforms were in place.

And so it is generally assumed that by the second decade of the next century China will be the world's largest country by land area in the world, but it also has the greatest stock of natural resources: it is, for example, the world's largest producer of natural gas. Perhaps more important, it has also a highly-educated population, far more highly educated than that of developing countries with similar income levels. So lack of education will not hold back economic growth.

Because the positive case is made so rarely, this new book launched yesterday, deserves serious attention by business people and politicians alike. It is a tough-minded, rational, but fundamentally optimistic assessment of the chances of Russia becoming a prosperous functioning democracy within the next generation.



ECONOMIC VIEW
HAMISH McRAE

Both authors know Russia intimately. Professor Layard, head of the Centre for Economic Performance at the London School of Economics, has spent much of the past five years advising the Russian government on reform, while John Parker has been the *Economist* magazine's Moscow correspondent — in 1992 he received the Moscow Union of Journalists award for coverage of Russia. So both are, so to speak, on the side of Russia. But, as they remind us at the start, by and large the optimists

cannot ignore the reality of a vast, under-invested population and plenty of investment finance. Good progress has been made in freeing prices and markets, and in privatising state property, but progress has been poor in controlling inflation, protecting the weak and in particular establishing a climate of legality. The authors see this last as the greatest barrier to economic progress, something which virtually all foreigners who have sought to do business in Russia would surely concur.

The political outlook, they feel, is

'The fiscal deficit at 4.4 per cent of GDP is actually lower than that of the UK'

have been more right than the pessimists so far.

Their thesis is this. They set out by seeking to answer 12 questions about Russia, some principally political, others largely economic. These range from questions about Russia's instincts and history — is it naturally collectivist, autocratic or anti-Western? — to questions about the reform process: was there too much shock therapy, did the West do enough to help, and how do people live now?

The economic balance sheet they draw up is quite positive. The general prognosis is good, since GDP seems to have stopped falling, there are massive natural resources, a highly edu-

less certain. The future of the economy will be driven by the pursuit of wealth, with predictable effects, and with natural stabilisers, whereas in politics this is less true. Next month's presidential election will be very important, for if Yeltsin does win policies will continue pretty much on present lines, while if the Communists were to win the outcome is much less clear. There would undoubtedly be an economic setback, as controls were reintroduced and some industries re-nationalised. Eventually these policies would be reversed but there would be damage in the meantime.

On the broader politico-economic question — what kind of society

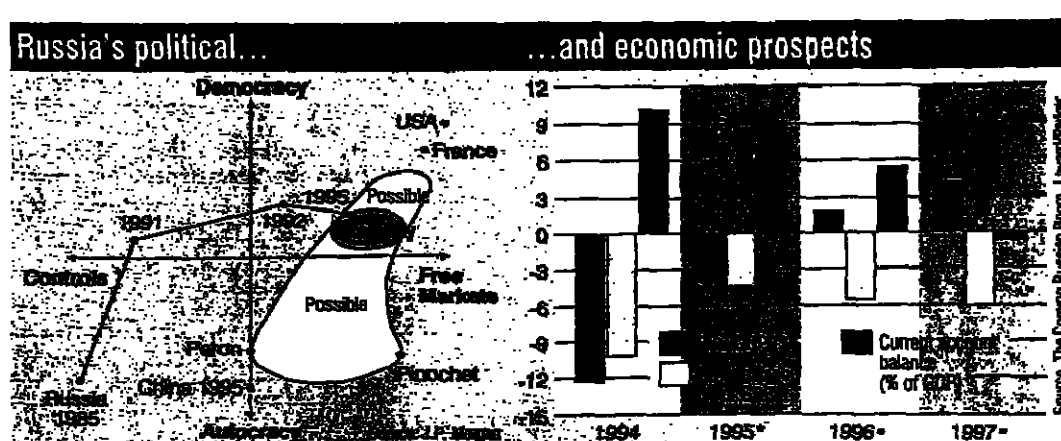
might Russia eventually become? — the authors produce the chart shown on the left, with degrees of political liberalism on the vertical axis and economic liberalism on the horizontal one. It will not, they think, become quite the fully-functioning democracy and market economy of the USA or France, but equally it will return to a controlled economy, though it might become very autocratic politically in a Peron/Francoist manner.

Most likely? Well, "more of the same" is the number one scenario suggested by the authors, based on the assumption that a Yeltsin/Chernomyrdin group continue in power. Progress will continue, with the familiar two steps forward, one step back method of advance. The legal system will improve, gradually, but much regulation will continue. Inflation will fall but gradually. Above all, there will be good economic growth of 5 per cent a year or more.

The next most likely outcome is neo-communism, some form of left-wing nationalism, with higher inflation, rebuilding defence and seeking the return of the former Soviet republics to link more closely with Russia. It will fail — it would not be supported by the young — but meanwhile growth would be more muted, though the authors suggest, still at 4 per cent a year.

Other possibilities include non-communist nationalism — authoritarian rule from the centre or even the right — and the least likely, reform pure and simple. Under this last, with a government united behind economic reform, there would be a surge in foreign investment and they believe growth could be 6 per cent or more.

The most interesting thing here from an economic point of view is



that even if things go badly politically, there is a reasonable prospect of economic growth. Figures on the Russian economy are notoriously difficult to interpret. If you look at conventional GDP numbers, the economy seems to have continued to decline last year. If on the other hand you look at the assumption that the Russian economy has been rising since the huge fall in 1992, Layard and Parker believe the economy stopped shrinking in 1994. That is probably right, though some figures suggest that GDP fell further last year.

As a cross-check to the more optimistic assessment have a look at the graph on the right, which shows some estimates and forecasts for the Russian economy published by the US Bank JP Morgan in a circular on the forthcoming elections. In these figures, the Russian economy is just at the turning point now: there should be just under 2 per cent growth this year and 4 per cent next. Inflation (not shown) remains dreadful,

though it has come down from more than 300 per cent in 1994 to a forecast 75 per cent this year, but some of the other numbers are fine. Thus the fiscal deficit, at 4.4 per cent of GDP, is actually lower than that of the UK, and the current account is in substantial surplus. If you plot the Russian experience against that of, say, Poland, it looks wholly plausible that in two or three years the Russian economy will indeed be growing rapidly. Poland started its reform process three years before Russia, but by last year had become the fastest-growing economy in Europe. It is worth recalling that in the early stages of Polish reform, many people felt that Poland, far away to the east and without much of a market tradition, would find economic reform much more difficult than, say, Czechoslovakia or Hungary. Now it is clear that Poland is doing as well as any former communist state.

Two final thoughts — reasons why, like Richard Layard and John Parker,

there will indeed be a coming Russian boom.

One is an historical perspective. During the first decade of this century Russia was the fastest-growing economy in the world. Two of the forces which drove that growth, natural resources and clever people, are just as strong today. And Russia's brand of rough entrepreneurship suggests that the drive to make money is just as strong now as it ever was.

The other thought concerns the improbability of a return to a state-controlled economy. I have met Chernomyrdin only once (I have never met Yeltsin) but one remark of his stuck in my mind. Did he, we asked him, see any case for a return to a more centralised economy? "No," he said, "I worked under the old system for 40 years. I know it. And it is because I know it, I also know how badly it worked. So I would never want to go back."

The Coming Russian Boom, by Richard Layard and John Parker, The Free Press (\$28)

Foreign Exchange Rates

Country	Spot	1 month	3 months	Spot	1 month	3 months
US	1.541	10.8	34.21	1.000	—	—
Canada	2.073	11.3	30.47	1.326	2.1	2.0
Germany	2.822	30.45	129.149	1.038	25.24	64.81
France	7.853	12.10	436.405	5.959	73.86	217.307
Italy	238.48	75.20	221.948	5.553	57.44	70.782
Japan	168.94	75.70	225.216	10.457	45.44	136.138
Belgium	123.49	5.11	45.40	1.281	7.6	23.625
ECU	17.31	12.9	34.29	1.328	6.5	18.16
Denmark	175.23	175.23	436.405	5.959	73.86	217.307
Netherlands	2.054	65.59	197.394	1.741	35.38	107.102
Ireland	10.876	10.8	34.21	1.000	—	—
Norway	8.076	18.54	329.233	6.588	42.17	100.40
Spain	163.41	25.36	72.83	12.74	23.27	64.72
Sweden	10.272	9.15	23.94	6.740	59.13	250.310
Switzerland	1.920	10.8	34.21	1.000	—	—
Australia	1.800	20.51	67.95	1.218	19.21	54.58
Hong Kong	11.74	10.81	224.70	7.765	2.12	15.35
Malaysia	3.759	0.0	0.0	2.488	4.14	60.40
New Zealand	2.075	43.57	139.156	1.439	30.92	89.40
Saudi Arabia	5.975	0.0	0.0	4.750	9.14	60.40
Singapore	2.278	0.0	0.0	1.403	41.30	133.83

Other Spot Rates

Country	Sterling	Dollar
Argentina	15.943	0.0988
Australia	1.800	0.1026
Brazil	0.000	0.000
China	0.000	0.000
India	0.000	0.000
Indonesia	0.000	0.000
Japan	0.000	0.000
South Korea	0.000	0.000
Taiwan	0.000	0.000
Thailand	0.000	0.000
UK	0.000	0.000
USA	0.000	0.000

Interest Rates

Country	Rate
US	5.00%
UK	5.00%
Germany	5.00%
France	5.00%
Italy	5.00%
Japan	5.00%
Canada	5.00%
Australia	5.00%
Sweden	5.00%
Switzerland	5.00%
Netherlands	5.00%
Belgium	5.00%
Denmark	5.00%
Spain	5.00%
Portugal	5.00%
Greece	5.00%
Ireland	5.00%
Norway	5.00%
Finland	5.00%
Sweden	5.00%
Switzerland	5.00%
Australia	5.00%
Japan	5.00%
South Korea	5.00%
Taiwan	5.00%
Thailand	5.00%
UK	5.00%
USA	5.00%

Bond Yields

Country	Rate
US	5.00%
UK	5.00%
Germany	5.00%
France	5.00%
Italy	5.00%
Japan	5.00%
Canada	5.00%
Australia	5.00%
Sweden	5.00%
Switzerland	5.00%
Netherlands	5.00%
Belgium	5.00%
Denmark	5.00%
Spain	5.00%
Portugal	5.00%
Greece	5.00%
Ireland	5.00%
Norway	5.00%
Finland	5.00%
Sweden	5.00%
Switzerland	5.00%
Australia	5.00%
Japan	5.00%
South Korea	5.00%
Taiwan	5.00%
Thailand	5.00%
UK	5.00%
USA	5.00%

Money Market Rates

Country	Rate
US	5.00%
UK	5.00%
Germany	5.00%
France	5.00%
Italy	5.00%
Japan	5.00%
Canada	5.00%
Australia	5.00%
Sweden	5.00%
Switzerland	5.00%
Netherlands	5.00%
Belgium	5.00%
Denmark	5.00%
Spain	5.00%
Portugal	5.00%
Greece	5.00%
Ireland	5.00%
Norway	5.00%
Finland	5.00%
Sweden	5.00%
Switzerland	5.00%
Australia	5.00%
Japan	5.00%
South Korea	5.00%
Taiwan	5.00%
Thailand	5.00%
UK	5.00%
USA	5.00%

Tourist Rates

Country	Rate
US	5.00%
UK	5.00%
Germany	5.00%
France	5.00%
Italy	5.00%
Japan	5.00%
Canada	5.00%
Australia	5.00%
Sweden	5.00%
Switzerland	5.00%
Netherlands	5.00%
Belgium	5.00%
Denmark	5.00%
Spain	5.00%
Portugal	5.00%
Greece	5.00%
Ireland	5.00%
Norway	5.00%
Finland	5.00%
Sweden	5.00%
Switzerland	5.00%
Australia	5.00%
Japan	5.00%
South Korea	5.00%
Taiwan	5.00%
Thailand	5.00%
UK	5.00%
USA	5.00%

Liffe Financial Futures

Contract	Settlement Price
Long Oil	10.42
Short Oil	10.42
Long Gold	10.42
Short Gold	10.42
Long Silver	10.42
Short Silver	10.42
Long Copper	10.42
Short Copper	10.42
Long Aluminum	10.42
Short Aluminum	10.42
Long Zinc	10.42
Short Zinc	10.42
Long Lead	10.42
Short Lead	10.42
Long Tin	10.42
Short Tin	10.42
Long Nickel	10.42
Short Nickel	10.42
Long Platinum	10.42
Short Platinum	10.42
Long Palladium	10.42
Short Palladium	10.42
Long Rhodium	10.42
Short Rhodium	10.42
Long Iridium	10.42
Short Iridium	10.42
Long Osmium	10.42
Short Osmium	10.42
Long Ruthenium	10.42
Short Ruthenium	10.42
Long Selenium	10.42
Short Selenium	10.42
Long Tellurium	10.42
Short Tellurium	10.42
Long Vanadium	10.42
Short Vanadium	10.42
Long Niobium	10.42
Short Niobium	10.42
Long Molybdenum	10.42
Short Molybdenum	10.42
Long Zirconium	10.42
Short Zirconium	10.42
Long Hafnium	10.42
Short Hafnium	10.42
Long Tantalum	10.42
Short Tantalum	10.42
Long Niobium	10.42
Short Niobium	10.42
Long Molybdenum	10.42
Short Molybdenum	10.42
Long Zirconium	10.42
Short Zirconium	10.42
Long Hafnium	10.42
Short Hafnium	10.42
Long Tantalum	10.42
Short Tantalum	10.42
Long Niobium	10.42
Short Niobium	10.42
Long Molybdenum	10.42
Short Molybdenum	10.42
Long Zirconium	10.42
Short Zirconium	10.42
Long Hafnium	10.42
Short Hafnium	10.42
Long Tantalum	10.42
Short Tantalum	10.42
Long Niobium	10.42
Short Niobium	10.42
Long Molybdenum	10.42
Short Molybdenum	10.42
Long Zirconium	10.42
Short Zirconium	10.42
Long Hafnium	10.42
Short Hafnium	10.42
Long Tantalum	10.42
Short Tantalum	10.42
Long Niobium	10.42
Short Niobium	10.42
Long Molybdenum	10.42
Short Molybdenum	10.42
Long Zirconium	10.42
Short Zirconium	10.42
Long Hafnium	10.42
Short Hafnium	10.42
Long Tantalum	10.42
Short Tantalum	10.42
Long Niobium	10.42
Short Niobium	10.42
Long Molybdenum	10.42
Short Molybdenum	10.42
Long Zirconium	10.42
Short Zirconium	10.42
Long Hafnium	10.42
Short Hafnium	10.42
Long Tantalum	10.42
Short Tantalum	10.42
Long Niobium	10.42
Short Niobium	10.42
Long Molybdenum	10.42
Short Molybdenum	10.42
Long Zirconium	10.42
Short Zirconium	10.42
Long Hafnium	10.42
Short Hafnium	10.42
Long Tantalum	10.42
Short Tantalum	10.42
Long Niobium	10.42
Short Niobium	10.42
Long Molybdenum	10.42
Short Molybdenum	10.42
Long Zirconium	10.42
Short Zirconium	10.42
Long Hafnium	10.42
Short Hafnium	10.42
Long Tantalum	10.42
Short Tantalum	10.42
Long Niobium	10.42
Short Niobium	10.42
Long Molybdenum	10.42
Short Molybdenum	10.42
Long Zirconium	10.42
Short Zirconium	10.42
Long Hafnium	10.42
Short Hafnium	10.42
Long Tantalum	10.42
Short Tantalum	10.42
Long Niobium	10.42
Short Niobium	10.42
Long Molybdenum	10.42
Short Molybdenum	10.42
Long Zirconium	10.42
Short Zirconium	10.42
Long Hafnium	10.42
Short Hafnium	10.42
Long Tantalum	10.42
Short Tantalum	10.42
Long Niobium	10.42
Short Niobium	10.42
Long Molybdenum	10.42
Short Molybdenum	10.42
Long Zirconium	10.42
Short Zirconium	10.42
Long Hafnium	10.42
Short Hafnium	10.42
Long Tantalum	10.42
Short Tantalum	10.42
Long Niobium	10.42
Short Niobium	10.42
Long Molybdenum	10.42
Short Molybdenum	10.42
Long Zirconium	10.42
Short Zirconium	10.42
Long Hafnium	10.42
Short Hafnium	10.42
Long Tantalum	10.42
Short Tantalum	10.42
Long Niobium	10.42
Short Niobium	10.42
Long Molybdenum	10.42
Short Molybdenum	10.42
Long Zirconium	10.42
Short Zirconium	10.42
Long Hafnium	10.42
Short Hafnium	10.42
Long Tantalum	10.42
Short Tantalum	10.42
Long Niobium	10.42
Short Niobium	10.42
Long Molybdenum	10.42
Short Molybdenum	10.42
Long Zirconium	10.42
Short Zirconium	10.42
Long Hafnium	10.42
Short Hafnium	10.42
Long Tantalum	10.42
Short Tantalum	10.42
Long Niobium	10.42
Short Niobium	10.42
Long Molybdenum	10.42

sport

Ince takes issue with the bigoted minority

A first, there was nothing remarkable about the head-on collision between Paul Ince and the opposing goalkeeper in the match that took Internazionale to Cremona a month ago. The ball was up for grabs and both players went for it, clashing heads and collapsing in a heap. Ince got up straight away, but the keeper lay on the ground. That was when things turned nasty. Hundreds in the stands joined in a racist chant, the bigoted insult amplified by the acoustics of the pitch.

"They were shouting 'Nigger, nigger', at me," Ince recalled. "So I turned towards them and clapped, as if to say, 'Yeah, well done'. That's when the referee booked me."

Graziano Cesari had just entered across the field and, with a theatrical sweep of the arm, had pulled out a yellow card. "I was a bit happy about that," Ince said. "I really wasn't happy."

After a troubled beginning to his career in Italian football, the last few months have seen something of a transformation in Ince's fortunes. So much so that when Ince seeks out Internazionale's chairman, Massimo Moratti, in the next few weeks it will be to extend his stay in Serie A by an extra year, rather than cut it short.

But speaking at Inter's training ground at Appiano Gentile, before their last game of the season on Sunday, the issue of racism in Italian football remains a major concern.

"Something struck me during the Cremonese match and it's obviously something I have to think about. I must not let these things catch me unprepared."

"Could I decide to go back to England because of this? Yes, of course. Definitely. When I speak to Mr Moratti about the future of Inter, well, if this situation happens again, and I don't mean just me, it

Lara Santoro finds the England midfielder settled in Milan but disturbed by the racism of some Italian supporters

could be any black player..."

His voice tails off and the threat is not explicit, but Ince is clearly worried. "I think an issue must be made out of it so that we get to where people and the federation are going to do something about it."

"It used to happen in England."

It was terrible there five or six years ago but they stopped it. The FA made a stand and said that anybody caught saying racist things or making racist chants was out, off the grounds. And we made it so big that even people who were sitting next to people

who were chanting racist stuff just went over and called a policeman and they'd be out."

Ince is not alone in suffering at the hands of Italy's racist minority. In Piaceenza recently Michel Ferrier, a young black midfielder recently signed by Verona, was welcomed to the club by the grotesque spectacle of a black dummy lurching in the stands.

While all the black players in Italy have reacted with remarkable poise to the abuse, few have made an issue of it. Ince could be different.

"Look," he says, "with all the black players coming into Italian football, you don't want them to come because they're afraid of the racism, of getting chanted at every time they get the ball. We can't let this drop, because it does happen, and we must do something about it. All of us, not just Mr Moratti. He is a power-

ful man, a great man in many ways and can influence people along with others."

Moratti is a man with whom Ince seems to have forged a strong bond. In a matter of months, the player he wooed away from Manchester United has become the team's star.

Roy Hodgson, Inter's new English coach, has had a lot to do with the change. His voice booms and his arms flail as he rallies each player through the last minutes of training, a startling contrast to the muted promptings of Ottavio Bianchi - Hodgson's predecessor.

"If Hodgson hadn't arrived five or six months ago, I probably would have gone back to England. He's like me; we both come from London so we've got

that kind of aggressiveness to want to do well and win. If he should go, next year or the year after that, it would change my position completely. Hopefully that won't happen."

Ince's performances also appear to have won round the Italian press, many of whom were highly critical of him on his arrival. When Ince missed a recent game, the headline in one of the Italian sports papers read, *Inter senza Ince*. "Inter without their soul", Ince said. "I don't know about the soul bit, but I believe I've got a different talent that no one else in the team has. Everybody has different assets and qualities. I got this side

of me at Manchester United, the determination to get things going. When I first got here, they weren't sure about it, they were like, 'What the hell is going on: who is this?' but now they respect me for the player that I am. I am not the soul, but I believe I can be a leader for the team, because a team needs a leader."

Asked if he still misses England, and particularly Manchester United, Ince pauses for a minute.

"I miss the United fans," he says finally. "They were great to me. I miss some players, but I try not to think about it even though people ask me all the time. I want to concentrate on what is happening here in Italy. I didn't want to leave Manchester United to start with, you know. I want to be absolutely clear on that."

"Usually you don't plan moves, they just happen. I believe that being the only English player now in Italy, it's important for me to do well. Not just for myself, but for every English player that might want to come over. People like Giggsy, like Fowler."

Reflecting on one of the less savoury nights of English football, Ince feels that a seven-day jail sentence was the least Matthew Simmons deserved after his spectacular lunge at the prosecutor in court.

"It just shows you how right Eric was. Right is not the word. I mean it's never right to go kicking somebody in the chest. But if you ask me, he should have got more than seven days. You just don't run over the benches and start kicking the prosecutor. If he's going to do that in court with all the judges watching, what's he going to be like at a football match, in a crowd where no one can stop him from doing what he wants to do. What happened in court just sums up why he came down that flight of stairs to shout abuse at Eric."

Paul Ince: now the soul of Internazionale after a difficult initiation

Photograph: Allsport

Photograph: Allsport

Photograph: Allsport

Photograph: Allsport

Photograph: Allsport

Photograph: Allsport

Photograph: Allsport

Photograph: Allsport

Baggio is left out of Euro 96

Football

Giuseppe Signori and Roberto Baggio have been left out of Italy's 22-man squad for the European Championship finals, the coach Arrigo Sacchi instead selecting Alessandro Del Piero and Enrico Chiesa for this summer's tournament in England.

Sacchi had not been expected to pick either the Milan striker and the prolific Lazio marksman, Serie A's joint top-scorer this season, after the pair were consistently left out of Italy's qualifying campaign.

The squad, announced the day after the end of the Italian season, combines World Cup veterans Paolo Maldini, Alessandro Costacurta, Roberto Donadoni and Roberto Muzzi with newcomers such as Del Piero, Fabrizio Ravanelli and Angelo Di Livio, key members of the qualifying squads.

Donadoni, who recently left Milan to join the New York-New Jersey MetroStars, is expected to return to Italy to begin preparations with the Italian team at Milan's training centre of Milanese on Saturday.

Chiesa, the 25-year-old Sampdoria striker, is the newcomer to the Italian side after earning his international call-up with 22 goals in his first season.

The Germany coach, Bert Vogts, produced no surprises when he named his squad. The Germans, who will be captained by Jürgen Klinsmann, are drawn in Group C against the Czech Republic, Italy and Russia.

The squad contains five players from the newly crowned German champions. Borussia Dortmund and includes Matthias Sammer and Andy Möller, and seven from Uefa Cup finalists Bayern Munich.

The Udiense striker Oliver Bierhoff was also included.

Squad, Sporting Digest, page 23



Paul Ince: now the soul of Internazionale after a difficult initiation

Photograph: Allsport

Limping Butcher saves Surrey

Cricket

DAVID LLEWELLYN reports from The Oval Kent 225 & 361 Surrey 360 & 160-6 Match drawn

Maybe Surrey were worried about missing their plane to Belfast yesterday evening - they play Ireland in the Benson and Hedges Cup today - but having been set a modest 227 for victory from what turned out to be 50 overs, they almost missed the boat and needed a disciplined seventh-wicket partnership from the injured Mark

Butcher and Brendon Julian to save them from defeat.

Butcher, who needed a runner because he is suffering from a suspected hernia and may have to undergo an operation tomorrow, and Julian had to chart an unsteady course through 27 awkward overs of spin from Min Patel and Carl Hooper.

They should be thankful Steve Marsh, the acting captain, decided not to bring back Martin McCague, Kent's hero of the day.

Having earlier frustrated the Surrey attack by scoring a career-best 63 not out in an obstinate three-hour innings, McCague ripped out the first four Surrey wickets.

At one point he had claimed 3 for 3 in 11 balls, accounting for Alistair Brown, Darren Bicknell and Alec Stewart.

After tea, Graham Thorpe was added to his list of victims to give him a return of 4 for 33 off 10 overs.

Unfortunately, Marsh was unable to bring him back to apply further pressure after Hooper and Patel had dismissed Adam Holford and Chris Lewis cheaply. McCague's left elbow had been knocked by a lifter from Lewis and his arm stiffened up.

By the time he could have come on to bowl it was felt that the ball had softened too much to cause more mayhem.

Instead Butcher, who had Brown as his runner, and Julian were able to pick their way carefully, although not without alarms, through a minefield of a final session.

Play had commenced an hour earlier to allow Surrey time to get to Heathrow for their flight. Martin Bicknell quickly sent back Graham Crowder and Julian Thompson to raise hopes of a very early finish.

Over-confidence, the odd missed chance and some thoughtless bowling allowed McCague, who deserved a victory for his all-round effort, and Patel to wriggle free and add 89 for the ninth wicket.

HENRY BLOFIELD

reports from Hove Warwickshire 645-7 dec; Sussex 222 & 284 Warwickshire win by an innings and 139 runs

Sussex are in a mess. The season is not yet a month old and, in all honesty, they already know that avoiding the bottom place in the Championship can be their only realistic ambition this year. Their limited-over hopes are not significantly better, either.

It took Warwickshire 65 minutes to take the last four Sus-

sex second-innings wickets after a cheerful and irrelevant bit of wagging by the tail. But it was, if anything, an even more comprehensive defeat than an innings and 139 makes it sound.

To be aware so early in the season that the outlook is as gloomy as this can only be immensely dispiriting to all concerned. It puts great pressure on their captain, Alan Wells - himself still smarting from that pair at The Oval - to perform in a superhuman manner as captain, batsman and dressing-room manager.

Sussex are one of the most delightful of all clubs, and it would be lovely if they could lift

themselves to respectability and beyond. Alas, they do not have a domestic or, indeed, an overseas world-beater who might be able to lift them with his own displays. Their overseas player, from Barbados, Vashari Drake, is a marginal performer. He will surely leave Sussex a better player than when he came, and maybe go on to make England suffer.

What Sussex desperately want is a star player who will start everyone talking, the turnstiles clicking and the victories coming: a Sachin Tendulkar, a Shaun Pollock, a Mark Waugh, a Brian Lara or an Aravinda de Silva. They need to dig deep at

Hove. A real top-notcher can bring self-belief back to a beleaguered side, and suddenly because of his influence they will start playing above themselves.

Drakes' signing seems to be the product of muddled thinking, and Sussex need firm and positive leadership off the field as well as on it.

They have signed up Desmond Haynes as coach for a pretty fee which has raised eyebrows and caused misgivings. What they need is for a Haynes of a few years ago to play for them. As it is, he must be wondering if his fee is enough now that he has seen the task he has ahead of him.

Gloomy forecast for Sussex

Durham wilt in face of Follett's blitz

Round-up

Middlesex shook off their poor start to the season to dismiss Durham for their lowest total in five years of Championship cricket and win by 306 runs at Lord's yesterday.

David Follett produced a hostile 12.2-over spell that brought him 8 for 22 in only his third Championship match as Durham slumped to 67 all out just after lunch, having begun the day needing 374 to win.

Essex went to the top of the County Championship thanks to Ronnie Irani, who made 81 not out as Hampshire were beaten by four wickets at Southampton.

Hampshire lost their last three wickets to the left-arm spinner Paul Grayson, who finished with a career-best 4 for 82, Irani hit four sixes and four fours in 77 deliveries as Essex set a target of 329 from 69 overs, won with two overs in hand.

Adrian Dale and Tony Cottee steered Glamorgan to a five-wicket victory over Northamptonshire at the County Ground with one ball to spare.

Glamorgan were set a challenging 279 in 64 overs but Dale (120) and Cottee (65 not out) put on 117 in 22 overs. Dale chipped a return catch to John Emburey with 23 needed from 25 deliveries, and Robert Croft followed for a duck in the next over. But Cottee kept his head and watched from the non-striker's end as Gary Butcher pulled the fifth ball of Emburey's final over for the winning single.

Derbyshire's ninth-wicket pair of Colin Wells and Paul Aldred held out for seven overs to frustrate Yorkshire at Sheffield. Set 288 in 50 overs, Derbyshire were well placed on 175 for 2 at the start of the last hour. But Craig White's burst of 4 for 3 in 11 balls changed the course of the contest.

Nixon's sting in tail

MICHAEL AUSTIN

reports from Old Trafford Lancashire 495 & 191-3 dec Leicestershire 377 Match drawn

This game was rendered meaningless by Lancashire's first-innings extending ponderously to 161 overs. From 98 for 5, the Leicestershire lower order refused to acknowledge a tap on the shoulder and did not surrender.

The inevitable result was a last day for the statisticians, who were rewarded by a record Leicestershire eighth-wicket partnership of 172 between centurion Paul Nixon and David Mills.

Neither was born when Maurice Hamlyn and Terry Spencer shared the previous best stand of 164 against Essex at Leicestershire in 1964. Nixon and Mills, with a career-best 73, saved Leicestershire from defeat and another curio was added with the Benson and Hedges Cup today.

Nixon, with his sixth first-class century from 238 balls, confounded that Lancashire belief, along with Mills. When they joined forces, Leicestershire had needed a distant 161 to save the follow-on and their response was utterly positive.

After Nixon and Mills had hoovered up their record, the match was in a vacuum, though Matthew Brimmon, the left-arm spinner, took three wickets. Having already lost to Kent, Lancashire require a stronger sense of purpose, which will also be tested against Warwickshire in the Benson and Hedges Cup today.

CRICKET SCOREBOARD

Britannic Assurance County Championship

First day of four

Hampshire v Essex

(Essex won toss)

SOUTHAMPTON: Essex (Capt) beat Hampshire (B) by four wickets.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Hampshire: 135 for 7.

Essex: 135 for 7.

Lancashire v Leicestershire

(Lancashire won toss)

OLD TRAFFORD: Lancashire (Capt) drew with Leicestershire (B).

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

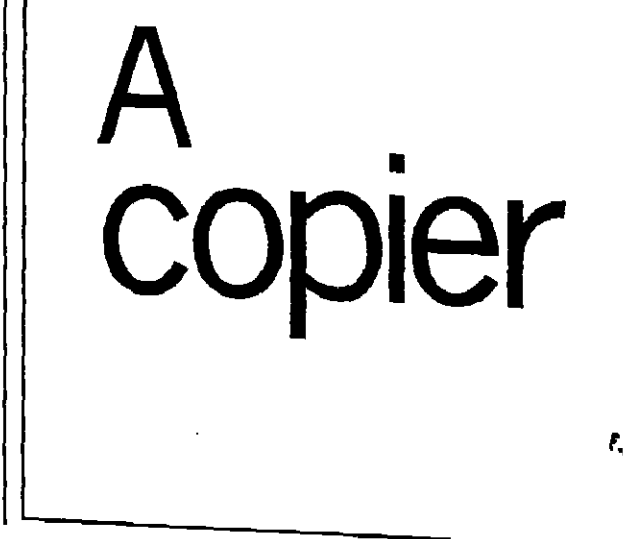
Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn

Lancashire: 495 & 191-3 dec Leicestershire 377 Match drawn



sport

Baggio is
left out of
Euro 96
Football

Rusedski will turn to Teacher

Tennis

JOHN ROBERTS
reports from Rome

Having been given a lesson in converting opportunities by Goran Ivanisevic in the first round of the Italian Open here yesterday, Britain's Greg Rusedski will start working with a new teacher at the weekend: Brian Teacher, the American who won the Australian Open in 1980 and rose to No 7 in the world.

Rusedski will link up with Teacher before the St. Polten tournament in Austria next week. The 41-year-old from Los Angeles will prepare Rusedski for the French Open and the grass-court season, culminating in Wimbledon, and a decision will then be made whether Teacher continues to coach Rusedski for the remainder of the year.

"I hope he can help me attain the mentality of a top 10 player, so I can play the big points better," Rusedski said after demonstrating his need in losing to the second-seeded Ivanisevic, 7-6, 6-3. "Also I want Brian to work on my return of serve - he has worked with Agassi - plus improve my backhand. These three things are the most important to me now. Brian understands the mental aspect of being in a Grand Slam and playing important points, as he's played there and been a top 10 player."

The new arrangement evolved after Rusedski's previous coach, Scott Brooke, decided he wanted to spend more time at home in America. Warren Jacques, the former British Davis Cup captain, travelled with Rusedski towards the end of last year. In an endeavour to find a replacement for Brooke, Rusedski's agent consulted Brad Gilbert, Andre Agassi's coach, who recommended Teacher. Rusedski's mighty serve has taken the Canadian-born 22-year-old to the position where he regularly competes with the best players in the world. The next

step is for him to improve his all-round efficiency and to have the confidence to beat them. "He was missing a lot," Ivanisevic said after yesterday's match. "I'm lucky he couldn't put five shots in a row in the court."

Rusedski created seven break points, and converted only one. That enabled him to break back to 5-5 when Ivanisevic served for the opening set. Rusedski's service return being good enough to lure the Croat into missing with a backhand. The prospect of an upset after Ivanisevic netted a shot and offered Rusedski a set point with the Briton leading, 6-5, evaporated as quickly as it appeared. Rusedski could hardly be criticised in this instance, as Ivanisevic whisked the opportunity away with a splendid angled forehand pass.

Rusedski found himself 4-0 down in the tie-break, but saved three set points before losing the shoot-out, 7-3.

It was the third meeting between the big-serving left-handers, and the first on a clay court. Ivanisevic also won the first two, played on fast indoor carpet surfaces in 1994. The difference here was that Ivanisevic's drop shots outnumbered his aces.

The Croat, who has won four titles this year, claims to have tighter control of his temperament nowadays, but he was fortunate to escape with only one rebuke for throwing his racket during the opening games of the second set.

Rusedski again had the first opportunities to break before faltering in the eighth game, hitting a forehand over the baseline after Ivanisevic had dealt comfortably with a second serve. The Croat served out on his second match point then moaned about the heavy balls, the fact that Rusedski persisted in slicing and would not allow him to find a rhythm, and just about everything else.

He did not realise how lucky he was to escape the thunderstorms which followed.



Goran Ivanisevic hits out during his victory over Britain's Greg Rusedski in Rome yesterday

Photograph: Reuter

Graf sets record of 332 weeks as No 1

Steffi Graf set a record of 332 weeks as women's world No 1 in the latest rankings released by the Women's Tennis Association today.

The German, beaten in last week's Italian Open by Martina Hingis, surpassed the previous mark of 331 weeks set by Czech-born Martina Navratilova of the United States.

"This one should stand for a long time. I don't try for records but this is one of them that will always stand out," Graf, 26, said in a telephone link-up from

Berlin, where she is playing this week. Ivan Lendl leads all men's No 1's with 270 weeks spent at the top.

"I never was the kind of person who counted the weeks or years, but to hear the number is really amazing," Graf said.

Graf first took the No 1 spot on 17 August, 1987, ending Navratilova's reign. She remained on top for a record 186 consecutive weeks until March 11, 1991, when Monica Seles took over. Graf's current streak as No 1 stands at 49 weeks.

Brighton's Clare Wood will take the first steps towards regaining her place in the world's top 100 when she competes in the first round proper of the Rover International Championship at the National Tennis Centre in Cardiff today. The 28-year-old, who slipped from 78 in the rankings to 187 after suffering a serious hamstring injury, is determined to begin her climb as soon as possible - and has been helped by being given a wild card into the £70,000 event.

"The event in Cardiff will give

me the opportunity to earn some valuable ranking points and I just hope I am able to take that," the three-times British champion said.

The biggest threat is the top seed Irma Spirella, who beat Arantxa Sanchez Vicario and Mary Pierce on her way to lifting the Florida Open earlier this year.

LAST WEEK'S RANKINGS: Men's (Graf: 1, Seles: 2, Sanchez Vicario: 3, C. Wood: 4, Hingis: 5, Lendl: 6, Agassi: 7, K. Williams: 8, R. Clinton: 9, M. Hingis: 10, B. Rensch: 11, J. Hargrett: 12, J. Hargrett: 13, J. Hargrett: 14, J. Hargrett: 15, J. Hargrett: 16, J. Hargrett: 17, J. Hargrett: 18, J. Hargrett: 19, J. Hargrett: 20, J. Hargrett: 21, J. Hargrett: 22, J. Hargrett: 23, J. Hargrett: 24, J. Hargrett: 25, J. Hargrett: 26, J. Hargrett: 27, J. Hargrett: 28, J. Hargrett: 29, J. Hargrett: 30, J. Hargrett: 31, J. Hargrett: 32, J. Hargrett: 33, J. Hargrett: 34, J. Hargrett: 35, J. Hargrett: 36, J. Hargrett: 37, J. Hargrett: 38, J. Hargrett: 39, J. Hargrett: 40, J. Hargrett: 41, J. Hargrett: 42, J. Hargrett: 43, J. Hargrett: 44, J. Hargrett: 45, J. Hargrett: 46, J. Hargrett: 47, J. Hargrett: 48, J. Hargrett: 49, J. Hargrett: 50, J. Hargrett: 51, J. Hargrett: 52, J. Hargrett: 53, J. Hargrett: 54, J. Hargrett: 55, J. Hargrett: 56, J. Hargrett: 57, J. Hargrett: 58, J. Hargrett: 59, J. Hargrett: 60, J. Hargrett: 61, J. Hargrett: 62, J. Hargrett: 63, J. Hargrett: 64, J. Hargrett: 65, J. Hargrett: 66, J. Hargrett: 67, J. Hargrett: 68, J. Hargrett: 69, J. Hargrett: 70, J. Hargrett: 71, J. Hargrett: 72, J. Hargrett: 73, J. Hargrett: 74, J. Hargrett: 75, J. Hargrett: 76, J. Hargrett: 77, J. Hargrett: 78, J. Hargrett: 79, J. Hargrett: 80, J. Hargrett: 81, J. Hargrett: 82, J. Hargrett: 83, J. Hargrett: 84, J. Hargrett: 85, J. Hargrett: 86, J. Hargrett: 87, J. Hargrett: 88, J. Hargrett: 89, J. Hargrett: 90, J. Hargrett: 91, J. Hargrett: 92, J. Hargrett: 93, J. Hargrett: 94, J. Hargrett: 95, J. Hargrett: 96, J. Hargrett: 97, J. Hargrett: 98, J. Hargrett: 99, J. Hargrett: 100, J. Hargrett: 101, J. Hargrett: 102, J. Hargrett: 103, J. Hargrett: 104, J. Hargrett: 105, J. Hargrett: 106, J. Hargrett: 107, J. Hargrett: 108, J. Hargrett: 109, J. Hargrett: 110, J. Hargrett: 111, J. Hargrett: 112, J. Hargrett: 113, J. Hargrett: 114, J. Hargrett: 115, J. Hargrett: 116, J. Hargrett: 117, J. Hargrett: 118, J. Hargrett: 119, J. Hargrett: 120, J. Hargrett: 121, J. Hargrett: 122, J. Hargrett: 123, J. Hargrett: 124, J. Hargrett: 125, J. Hargrett: 126, J. Hargrett: 127, J. Hargrett: 128, J. Hargrett: 129, J. Hargrett: 130, J. Hargrett: 131, J. Hargrett: 132, J. Hargrett: 133, J. Hargrett: 134, J. Hargrett: 135, J. Hargrett: 136, J. Hargrett: 137, J. Hargrett: 138, J. Hargrett: 139, J. Hargrett: 140, J. Hargrett: 141, J. Hargrett: 142, J. Hargrett: 143, J. Hargrett: 144, J. Hargrett: 145, J. Hargrett: 146, J. Hargrett: 147, J. Hargrett: 148, J. Hargrett: 149, J. Hargrett: 150, J. Hargrett: 151, J. Hargrett: 152, J. Hargrett: 153, J. Hargrett: 154, J. Hargrett: 155, J. Hargrett: 156, J. Hargrett: 157, J. Hargrett: 158, J. Hargrett: 159, J. Hargrett: 160, J. Hargrett: 161, J. Hargrett: 162, J. Hargrett: 163, J. Hargrett: 164, J. Hargrett: 165, J. Hargrett: 166, J. Hargrett: 167, J. Hargrett: 168, J. Hargrett: 169, J. Hargrett: 170, J. Hargrett: 171, J. Hargrett: 172, J. Hargrett: 173, J. Hargrett: 174, J. Hargrett: 175, J. Hargrett: 176, J. Hargrett: 177, J. Hargrett: 178, J. Hargrett: 179, J. Hargrett: 180, J. Hargrett: 181, J. Hargrett: 182, J. Hargrett: 183, J. Hargrett: 184, J. Hargrett: 185, J. Hargrett: 186, J. Hargrett: 187, J. Hargrett: 188, J. Hargrett: 189, J. Hargrett: 190, J. Hargrett: 191, J. Hargrett: 192, J. Hargrett: 193, J. Hargrett: 194, J. Hargrett: 195, J. Hargrett: 196, J. Hargrett: 197, J. Hargrett: 198, J. Hargrett: 199, J. Hargrett: 200, J. Hargrett: 201, J. Hargrett: 202, J. Hargrett: 203, J. Hargrett: 204, J. Hargrett: 205, J. Hargrett: 206, J. Hargrett: 207, J. Hargrett: 208, J. Hargrett: 209, J. Hargrett: 210, J. Hargrett: 211, J. Hargrett: 212, J. Hargrett: 213, J. Hargrett: 214, J. Hargrett: 215, J. Hargrett: 216, J. Hargrett: 217, J. Hargrett: 218, J. Hargrett: 219, J. Hargrett: 220, J. Hargrett: 221, J. Hargrett: 222, J. Hargrett: 223, J. Hargrett: 224, J. Hargrett: 225, J. Hargrett: 226, J. Hargrett: 227, J. Hargrett: 228, J. Hargrett: 229, J. Hargrett: 230, J. Hargrett: 231, J. Hargrett: 232, J. Hargrett: 233, J. Hargrett: 234, J. Hargrett: 235, J. Hargrett: 236, J. Hargrett: 237, J. Hargrett: 238, J. Hargrett: 239, J. Hargrett: 240, J. Hargrett: 241, J. Hargrett: 242, J. Hargrett: 243, J. Hargrett: 244, J. Hargrett: 245, J. Hargrett: 246, J. Hargrett: 247, J. Hargrett: 248, J. Hargrett: 249, J. Hargrett: 250, J. Hargrett: 251, J. Hargrett: 252, J. Hargrett: 253, J. Hargrett: 254, J. Hargrett: 255, J. Hargrett: 256, J. Hargrett: 257, J. Hargrett: 258, J. Hargrett: 259, J. Hargrett: 260, J. Hargrett: 261, J. Hargrett: 262, J. Hargrett: 263, J. Hargrett: 264, J. Hargrett: 265, J. Hargrett: 266, J. Hargrett: 267, J. Hargrett: 268, J. Hargrett: 269, J. Hargrett: 270, J. Hargrett: 271, J. Hargrett: 272, J. Hargrett: 273, J. Hargrett: 274, J. Hargrett: 275, J. Hargrett: 276, J. Hargrett: 277, J. Hargrett: 278, J. Hargrett: 279, J. Hargrett: 280, J. Hargrett: 281, J. Hargrett: 282, J. Hargrett: 283, J. Hargrett: 284, J. Hargrett: 285, J. Hargrett: 286, J. Hargrett: 287, J. Hargrett: 288, J. Hargrett: 289, J. Hargrett: 290, J. Hargrett: 291, J. Hargrett: 292, J. Hargrett: 293, J. Hargrett: 294, J. Hargrett: 295, J. Hargrett: 296, J. Hargrett: 297, J. Hargrett: 298, J. Hargrett: 299, J. Hargrett: 300, J. Hargrett: 301, J. Hargrett: 302, J. Hargrett: 303, J. Hargrett: 304, J. Hargrett: 305, J. Hargrett: 306, J. Hargrett: 307, J. Hargrett: 308, J. Hargrett: 309, J. Hargrett: 310, J. Hargrett: 311, J. Hargrett: 312, J. Hargrett: 313, J. Hargrett: 314, J. Hargrett: 315, J. Hargrett: 316, J. Hargrett: 317, J. Hargrett: 318, J. Hargrett: 319, J. Hargrett: 320, J. Hargrett: 321, J. Hargrett: 322, J. Hargrett: 323, J. Hargrett: 324, J. Hargrett: 325, J. Hargrett: 326, J. Hargrett: 327, J. Hargrett: 328, J. Hargrett: 329, J. Hargrett: 330, J. Hargrett: 331, J. Hargrett: 332, J. Hargrett: 333, J. Hargrett: 334, J. Hargrett: 335, J. Hargrett: 336, J. Hargrett: 337, J. Hargrett: 338, J. Hargrett: 339, J. Hargrett: 340, J. Hargrett: 341, J. Hargrett: 342, J. Hargrett: 343, J. Hargrett: 344, J. Hargrett: 345, J. Hargrett: 346, J. Hargrett: 347, J. Hargrett: 348, J. Hargrett: 349, J. Hargrett: 350, J. Hargrett: 351, J. Hargrett: 352, J. Hargrett: 353, J. Hargrett: 354, J. Hargrett: 355, J. Hargrett: 356, J. Hargrett: 357, J. Hargrett: 358, J. Hargrett: 359, J. Hargrett: 360, J. Hargrett: 361, J. Hargrett: 362, J. Hargrett: 363, J. Hargrett: 364, J. Hargrett: 365, J. Hargrett: 366, J. Hargrett: 367, J. Hargrett: 368, J. Hargrett: 369, J. Hargrett: 370, J. Hargrett: 371, J. Hargrett: 372, J. Hargrett: 373, J. Hargrett: 374, J. Hargrett: 375, J. Hargrett: 376, J. Hargrett: 377, J. Hargrett: 378, J. Hargrett: 379, J. Hargrett: 380, J. Hargrett: 381, J. Hargrett: 382, J. Hargrett: 383, J. Hargrett: 384, J. Hargrett: 385, J. Hargrett: 386, J. Hargrett: 387, J. Hargrett: 388, J. Hargrett: 389, J. Hargrett: 390, J. Hargrett: 391, J. Hargrett: 392, J. Hargrett: 393, J. Hargrett: 394, J. Hargrett: 395, J. Hargrett: 396, J. Hargrett: 397, J. Hargrett: 398, J. Hargrett: 399, J. Hargrett: 400, J. Hargrett: 401, J. Hargrett: 402, J. Hargrett: 403, J. Hargrett: 404, J. Hargrett: 405, J. Hargrett: 406, J. Hargrett: 407, J. Hargrett: 408, J. Hargrett: 409, J. Hargrett: 410, J. Hargrett: 411, J. Hargrett: 412, J. Hargrett: 413, J. Hargrett: 414, J. Hargrett: 415, J. Hargrett: 416, J. Hargrett: 417, J. Hargrett: 418, J. Hargrett: 419, J. Hargrett: 420, J. Hargrett: 421, J. Hargrett: 422, J. Hargrett: 423, J. Hargrett: 424, J. Hargrett: 425, J. Hargrett: 426, J. Hargrett: 427, J. Hargrett: 428, J. Hargrett: 429, J. Hargrett: 430, J. Hargrett: 431, J. Hargrett: 432, J. Hargrett: 433, J. Hargrett: 434, J. Hargrett: 435, J. Hargrett: 436, J. Hargrett: 437, J. Hargrett: 438, J. Hargrett: 439, J. Hargrett: 440, J. Hargrett: 441, J. Hargrett: 442, J. Hargrett: 443, J. Hargrett: 444, J. Hargrett: 445, J. Hargrett: 446, J. Hargrett: 447, J. Hargrett: 448, J. Hargrett: 449, J. Hargrett: 450, J. Hargrett: 451, J. Hargrett: 452, J. Hargrett: 453, J. Hargrett: 454, J. Hargrett: 455, J. Hargrett: 456, J. Hargrett: 457, J. Hargrett: 458, J. Hargrett: 459, J. Hargrett: 460, J. Hargrett: 461, J. Hargrett: 462, J. Hargrett: 463, J. Hargrett: 464, J. Hargrett: 465, J. Hargrett: 466, J. Hargrett: 467, J. Hargrett: 468, J. Hargrett: 469, J. Hargrett: 470, J. Hargrett: 471, J. Hargrett: 472, J. Hargrett: 473, J. Hargrett: 474, J. Hargrett: 475, J. Hargrett: 476, J. Hargrett: 477, J. Hargrett: 478, J. Hargrett: 479, J. Hargrett: 480, J. Hargrett: 481, J. Hargrett: 482, J. Hargrett: 483, J. Hargrett: 484, J. Hargrett: 485, J. Hargrett: 486, J. Hargrett: 487, J. Hargrett: 488, J. Hargrett: 489, J. Hargrett: 490, J. Hargrett: 491, J. Hargrett: 492, J. Hargrett: 493, J. Hargrett: 494, J. Hargrett: 495, J. Hargrett: 496, J. Hargrett: 497, J. Hargrett: 498, J. Hargrett: 499, J. Hargrett: 500, J. Hargrett: 501, J. Hargrett: 502, J. Hargrett: 503, J. Hargrett: 504, J. Hargrett: 505, J. Hargrett: 506, J. Hargrett: 507, J. Hargrett: 508, J. Hargrett: 509, J. Hargrett: 510, J. Hargrett: 511, J. Hargrett: 512, J. Hargrett: 513, J. Hargrett: 514, J. Hargrett: 515, J. Hargrett: 516, J. Hargrett: 517, J. Hargrett: 518, J. Hargrett: 519, J. Hargrett: 520, J. Hargrett: 521, J. Hargrett: 522, J. Hargrett: 523, J. Hargrett: 524, J. Hargrett: 525, J. Hargrett: 526, J. Hargrett: 527, J. Hargrett: 528, J. Hargrett: 529, J. Hargrett: 530, J. Hargrett: 531, J. Hargrett: 532, J. Hargrett: 533, J. Hargrett: 534, J. Hargrett: 535, J. Hargrett: 536, J. Hargrett: 537, J. Hargrett: 538, J. Hargrett: 539, J. Hargrett: 540, J. Hargrett: 541, J. Hargrett: 542, J. Hargrett: 543, J. Hargrett: 544, J. Hargrett: 545, J. Hargrett: 546, J. Hargrett: 547, J. Hargrett: 548, J. Hargrett: 549, J. Hargrett: 550, J. Hargrett: 551, J. Hargrett: 552, J. Hargrett: 553, J. Hargrett: 554, J. Hargrett: 555, J. Hargrett: 556, J. Hargrett: 557, J. Hargrett: 558, J. Hargrett: 559, J. Hargrett: 560, J. Hargrett: 561, J. Hargrett: 562, J. Hargrett: 563, J. Hargrett: 564, J. Hargrett: 565, J. Hargrett: 566, J. Hargrett: 567, J. Hargrett: 568, J. Hargrett: 569, J. Hargrett: 570, J. Hargrett: 571, J. Hargrett: 572, J. Hargrett: 573, J. Hargrett: 574, J. Hargrett: 575, J. Hargrett: 576, J. Hargrett: 577, J. Hargrett: 578, J. Hargrett: 579, J. Hargrett: 580, J. Hargrett: 581, J. Hargrett: 582, J. Hargrett: 583, J. Hargrett: 584, J. Hargrett: 585, J. Hargrett: 586, J. Hargrett: 587, J. Hargrett: 588, J. Hargrett: 589, J. Hargrett: 590, J. Hargrett: 591, J. Hargrett: 592, J. Hargrett: 593, J. Hargrett: 594, J. Hargrett: 595, J. Hargrett: 596, J. Hargrett: 597, J. Hargrett: 598, J. Hargrett: 599, J. Hargrett: 600, J. Hargrett: 601, J. Hargrett: 602, J. Hargrett: 603, J. Hargrett: 604, J. Hargrett: 605, J. Hargrett: 606, J. Hargrett: 607, J. Hargrett: 608, J. Hargrett: 609, J. Hargrett: 610, J. Hargrett: 611, J. Hargrett: 612, J. Hargrett: 613, J. Hargrett: 614, J. Hargrett: 615, J. Hargrett: 616, J. Hargrett: 617, J. Hargrett: 618, J. Hargrett: 619, J. Hargrett: 620, J. Hargrett: 621, J. Hargrett: 622, J. Hargrett: 623, J. Hargrett: 624, J. Hargrett: 625, J. Hargrett: 626, J. Hargrett: 627, J. Hargrett: 628, J. Hargrett: 629, J. Hargrett: 630, J. Hargrett: 631, J. Hargrett: 632, J. Hargrett: 633, J. Hargrett: 634, J. Hargrett: 635, J. Hargrett: 636, J. Hargrett: 637, J. Hargrett: 638, J. Hargrett: 639, J. Hargrett: 640, J. Hargrett: 641, J. Hargrett: 642, J. Hargrett: 643, J. Hargrett: 644, J. Hargrett: 645, J. Hargrett: 646, J. Hargrett: 647, J. Hargrett: 648, J. Hargrett: 649, J. Hargrett: 650, J. Hargrett: 651, J. Hargrett: 652, J. Hargrett: 653, J. Hargrett: 654, J. Hargrett: 655, J. Hargrett: 656, J. Hargrett: 657, J. Hargrett: 658, J. Hargrett: 659, J. Hargrett: 660, J. Hargrett: 661, J. Hargrett: 662, J. Hargrett: 663, J. Hargrett: 664, J. Hargrett: 665, J. Hargrett: 666, J. Hargrett: 667, J. Hargrett: 668, J. Hargrett: 669, J. Hargrett: 670, J. Hargrett: 671, J. Hargrett: 672, J. Hargrett: 673, J. Hargrett: 674, J. Hargrett: 675, J. Hargrett: 676, J. Hargrett: 677, J. Hargrett: 678, J. Hargrett: 679, J. Hargrett: 680, J. Hargrett: 681, J. Hargrett: 682, J. Hargrett: 683, J. Hargrett: 684, J. Hargrett: 685, J. Hargrett: 686, J. Hargrett: 687, J. Hargrett: 688, J. Hargrett: 689, J. Hargrett: 690, J. Hargrett: 691, J. Hargrett: 692, J. Hargrett: 693, J. Hargrett: 694, J. Hargrett: 695, J. Hargrett: 696, J. Hargrett: 697, J. Hargrett: 698, J. Hargrett: 699, J. Hargrett: 700, J. Hargrett: 701, J. Hargrett: 702, J. Hargrett: 703, J. Hargrett: 704, J. Hargrett: 705, J. Hargrett: 706, J. Hargrett: 707, J. Hargrett: 708, J. Hargrett: 709, J. Hargrett: 710, J. Hargrett: 711, J. Hargrett: 712, J. Hargrett: 713, J. Hargrett: 714, J. Hargrett: 715, J. Hargrett: 716, J. Hargrett: 717, J. Hargrett: 718, J. Hargrett: 719, J. Hargrett: 720, J. Hargrett: 721, J. Hargrett: 722, J. Hargrett: 723, J. Hargrett: 724, J. Hargrett: 725, J. Hargrett: 726, J. Hargrett: 727, J. Hargrett: 728, J. Hargrett: 729, J. Hargrett: 730, J. Hargrett: 731, J. Hargrett: 732, J. Hargrett: 733, J. Hargrett: 734, J. Hargrett: 735, J. Hargrett: 736, J. Hargrett: 737, J. Hargrett: 738, J. Hargrett: 739, J. Hargrett: 740, J. Hargrett: 741, J. Hargrett: 742, J. Hargrett: 743, J. Hargrett: 744, J. Hargrett: 745, J. Hargrett: 746, J. Hargrett: 747, J. Hargrett: 748, J. Hargrett: 749, J. Hargrett: 750, J. Hargrett: 751, J. Hargrett: 752, J. Hargrett: 753, J. Hargrett: 754, J. Hargrett: 755, J. Hargrett: 756, J. Hargrett: 757, J. Hargrett: 758, J. Hargrett: 759, J. Hargrett: 760, J. Hargrett: 761, J. Hargrett: 762, J. Hargrett: 763, J. Hargrett: 764, J. Hargrett: 765, J. Hargrett: 766, J. Hargrett: 767, J. Hargrett: 768, J. Hargrett: 769, J. Hargrett: 770, J. Hargrett: 771, J. Hargrett: 772, J. Hargrett: 773, J. Hargrett: 774, J. Hargrett: 775, J. Hargrett: 776, J. Hargrett: 777, J. Hargrett: 778, J. Hargrett: 779, J. Hargrett: 780, J. Hargrett: 781, J. Hargrett: 782, J. Hargrett: 783, J. Hargrett: 784, J. Hargrett: 785, J. Hargrett: 786, J. Hargrett: 787, J. Hargrett: 788, J. Hargrett: 789, J. Hargrett: 790, J. Hargrett: 791, J. Hargrett: 792, J. Hargrett: 793, J. Hargrett: 794, J. Hargrett: 795, J. Hargrett: 796, J. Hargrett: 797, J. Hargrett: 798, J. Hargrett: 799, J. Hargrett: 800, J. Hargrett: 801, J. Hargrett: 802, J. Hargrett: 803, J. Hargrett: 804, J. Hargrett: 805, J. Hargrett: 806, J. Hargrett: 807, J. Hargrett: 808, J. Hargrett: 809, J. Hargrett: 810, J. Hargrett: 811, J. Hargrett: 812, J. Hargrett: 813, J. Hargrett: 814, J. Hargrett: 815, J. Hargrett: 816, J. Hargrett: 817, J. Hargrett: 818, J. Hargrett: 819, J. Hargrett: 820, J. Hargrett: 821, J. Hargrett: 822, J. Hargrett: 823, J. Hargrett: 824, J. Hargrett: 825, J. Hargrett: 826, J. Hargrett: 827, J. Hargrett: 828, J. Hargrett: 829, J. Hargrett: 830, J. Hargrett: 831, J. Hargrett: 832, J. Hargrett: 833, J. Hargrett: 834, J. Hargrett: 835, J. Hargrett: 836, J. Hargrett: 837, J. Hargrett: 838, J. Hargrett: 839, J. Hargrett: 840, J. Hargrett: 841, J. Hargrett: 842, J. Hargrett: 843, J. Hargrett: 844, J. Hargrett: 845, J. Hargrett: 846, J. Hargrett: 847, J. Hargrett: 848, J. Hargrett: 849, J. Hargrett: 850, J. Hargrett: 851, J. Hargrett: 852, J. Hargrett: 853, J. Hargrett: 854, J. Hargrett: 855, J. Hargrett: 856, J. Hargrett: 857, J. Hargrett: 858, J. Hargrett: 859, J. Hargrett: 860, J. Hargrett: 861, J. Hargrett: 862, J. Hargrett: 863, J. Hargrett: 864, J. Hargrett: 865, J. Hargrett: 866, J. Hargrett: 867, J. Hargrett: 868, J. Hargrett: 869, J. Hargrett: 870, J. Hargrett: 871, J. Hargrett: 872, J. Hargrett: 873, J. Hargrett: 874, J. Hargrett: 875, J. Hargrett: 876, J. Hargrett: 877, J. Hargrett: 878, J. Hargrett: 879, J. Hargrett: 880, J. Hargrett: 881, J. Hargrett: 882, J. Hargrett: 883, J. Hargrett: 884, J. Hargrett: 885, J. Hargrett: 886, J. Hargrett: 887, J. Hargrett: 888, J. Hargrett: 889, J. Hargrett: 890, J. Hargrett: 891, J. Hargrett: 892, J. Hargrett: 893, J. Hargrett: 894, J. Hargrett: 895, J. Hargrett: 896, J. Hargrett: 897, J. Hargrett: 898, J. Hargrett: 899, J. Hargrett: 900, J. Hargrett: 901, J. Hargrett: 902, J. Hargrett: 903, J. Hargrett: 904, J. Hargrett: 905, J. Hargrett: 906, J. Hargrett: 907, J. Hargrett: 908, J. Hargrett: 909, J. Hargrett: 910, J. Hargrett: 911, J

SPORT



'Being the only English player now in Italy it's important for me to do well'
PAUL INCE on life at Internazionale and his future in Serie A

Page 22

Bates claims Gullit will not be hurt by Harding row

Football
TREVOR HAYLETT

On his first day as the new Chelsea player-manager, Ruud Gullit experienced some of the problems which made it easy for his predecessor to depart, when Ken Bates decided to tear up the agreement that would have seen Matthew Harding eventually take over from him as chairman.

With Glenn Hoddle, a close ally of Harding, having moved on to coach England, Bates has sought to reassert his authority at Stamford Bridge. Harding remains a director but by terminating the deal thrashed out in March and designed to put a stop to the boardroom rancour which saw Harding banned from the directors box, Chelsea have turned away the £10m he had agreed to provide for new players.

However Bates says Gullit will not be compromised in the transfer market. "We have already made arrangements elsewhere to ensure the manager is not disadvantaged in his player negotiations," Bates said. "He is already looking at a couple of Continental players which will not be affected by the change in arrangements."

They are the Juventus goal-scoring Gianluca Vialli and Bayern Munich's Jurgen Klinsmann and it was Harding's visit to Germany last week to talk with Klinsmann which further fuelled Bates's anger towards his rival. Part of the agreement, which had remained unsigned, was for Harding to become vice-chairman and also head a committee dealing in the club's playing affairs. Bates said it was incompatible with that responsibility to be discussing transfers

without the knowledge of other board members. Gullit remained nonplussed by the latest twist in the power struggle. Helping to launch BBC TV's summer sports schedule he said: "I don't know what the reason is for what has happened and I don't care. I have my budgets so I know what to spend and all I'm interested in is that the thing be resolved as quickly as possible."

A statement issued by Chelsea Village, which owns the club and leases Stamford Bridge, said: "The negotiations have reached a stalemate where the requirements of neither side could be satisfied. The further investments and assistance by Mr Harding which would have flowed from that agreement will not proceed."

Harding will now convert £5m of unsecured loan stock to give him 14,285,714 ordinary shares. He also has the right to lift his holding to 25.1 per cent yet the multi-millionaire's dream to become chairman is doomed, at least during the lifespan of the present regime.

Returning from a business trip to San Francisco last week, Bates was dismayed to learn of new Harding demands and called a halt to the protracted negotiations. "It has dragged on long enough and there is no going back, the matter is over," he said. "The goalposts kept moving and it was time to put up or shut up."

Robson eyes third Brazilian

Emerson, the £4m-rated midfielder, will today become Middlesbrough's third Brazilian after being tempted to leave the Portuguese champions, Porto, to join Juninho and Branco on Teesside.

Robson stunned football when he signed Juninho for £4.75m from São Paulo at the start of last season. Branco arrived in February as a free agent and eventually joined the club in an 18-month deal after protracted contract and work-permit negotiations. Neither player has shown the form which took them into the Brazilian team, but that has not deterred Robson from bringing in another highly skilled South American.

Ian Holloway, the Queen's Park Rangers midfielder, yesterday returned to Bristol Rovers as their player-manager on a three-year contract. The 33-year-old Bristolian succeeded John Ward, who parted company with the Second Division club last week.

The goalkeeper Bobby Mimms has been released by Blackburn at his own request. The 32-year-old, a long-time understudy to England's Tim Flowers, played only two first-team matches last season after moving to Ewood Park from Tottenham for £250,000 in 1990.

The Wales manager, Bobby Gould, yesterday named the Chelsea striker Mark Hughes in his squad for the opening World Cup qualifier against San Marino in the mountain-top state on June 2. But there was no place for the Wimbledon midfielder, Vinnie Jones in the squad of 21.

Ryan Giggs of Double winners Manchester United, and Dean Saunders, of Galatasaray, who like Hughes both missed last month's friendly defeat in Switzerland, were also included.

Wales Squad for San Marino, World Cup qualifier, 2 June: Southall (Everton), Coyne (Rangers), Marriott (Wrexham), Bowen (Sheff Wed), Coleman (Blackburn), Jackson (Huddersfield), Melville (Sunderland), Symons (Man City), Brown (Bristol Rovers), Goss (Norwich), Verna (Exeter), capt, Hughes (Chelsea), Lagg (Birmingham), Penhridge (Sheff Wed), Robinson (Charlton), Samuels (QPR), Gigg (Man Utd), Saunders (Galatasaray), Taylor (Sheff Utd), Standby players: Ward (Notts County), Evans (Walsall), Phillips (Wrexham). Page (Walsall), Cornforth (Birmingham), Davies (Man Utd), L Jones (Liverpool).

RFU imposes six-month ban on Back

Rugby Union
STEVE BALE

Though he protested to the end that he had mistaken his victim's identity, Neil Back yesterday incurred a six-month suspension from the Rugby Football Union for pushing the referee at the end of Leicester's highly charged Pilkington Cup final defeat by Bath.

The ban is not what it seems, since the six months include the close season and leaves the 27-year-old recent England flanker free to play again from 4 November, always supposing Leicester are still under the auspices of the RFU at that time. As well as the beginning of

next season, Back will have to miss summer benefit matches in aid of Max Brito, the Ivory Coast player paralysed during last year's World Cup, and Philippe Sella, who is leaving France to play for Saracens. He will also be ineligible to make the Barbarians tour of Japan or Leicester's pre-season visit to South Africa if it takes place.

The real total is more like 10 weeks, a lenient sentence for such a blatant breaking of one of rugby's taboos. Nevertheless, Back's club yesterday professed their disappointment at its "severity" and said they would consider an appeal after receiving the decision of the RFU disciplinary panel. Last week Back agreed a contract with Leicester.

Referee 'satisfied' with punishment

Steve Lander, the Pilkington Cup final referee pushed by Neil Back, said he had "no personal reaction" to the player's ban. But he added: "I am absolutely satisfied that the principle of not laying hands on the referee has been upheld."

"You can feel vulnerable out there with such power and energy surrounding you. It is the first incident of that type I have been involved in and, as far as I know, it is a one-off."

"There has always been a good relationship between players and referees. You can always talk to them afterwards and let's hope that that continues. I am sure that it will."

Richard Moon, the secretary of the newly formed Rugby Union Players' Association, said: "The stated aim of Rupa

is to maintain fair play and good sportsmanship. There has been concern about the attitude of players on the field in the professional era. But amateur or pro, the referee's word is law and nobody should put that fact in jeopardy."

"Obviously the RFU felt that the game had been brought into disrepute and we support this attempt to uphold the good name of rugby. We must avoid at all costs a situation as in soccer where footballers feel that they can ping-pong the referee around."

"We don't want to go down the road of the other sports where the officials are abused and jostled by players. Rugby players will be reminded by this ban that they are in the shop window and watched by millions of youngsters."

Things have come a long way from the immediate post-match period when both the RFU media liaison man, Colin Herridge, and referees' officer, Steve Griffiths, were frantically trying to play it down. On the contrary, the hearing found that Back had pushed Steve Lander - an incontrovertible conclusion in view of the video evidence - and "was therefore guilty of conduct which was prejudicial to the interests of the game."

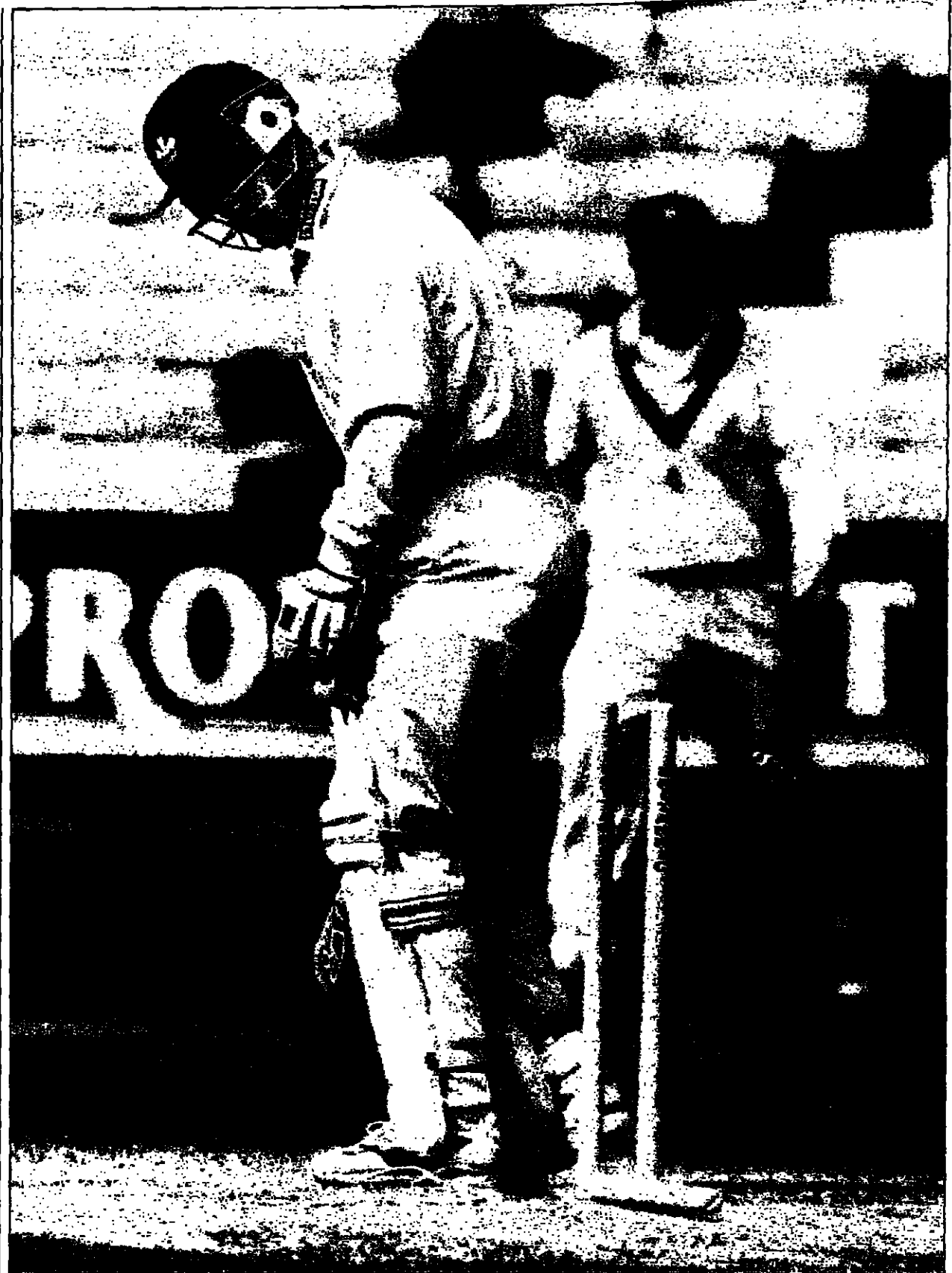
The incident occurred within minutes of the hotly disputed penalty try for persistent offences which had effectively handed the cup to Bath. But at the time Back said that, far from taking out his disappointment on the referee, he had thought he was pushing Andy Robinson, his Bath opposite number.

This was accepted by the panel - made up of three RFU committee members, Bob Rogers, Peter Trunkfield and the former England No 8 Bob Taylor - making it hard to know what he has been punished for. "The panel believed Neil Back was telling the truth in his evidence and at no time doubted his honesty and integrity," the RFU stated.

Back has never varied in his account that it was only when Dean Richards, the Leicester captain, informed him in the Twickenham dressing-room that he found out what he had done.

"I didn't realise the game had ended," he said. "I ran in to join the other forwards and believed I was giving Robinson - offside again - a push to clear the way. When Dean told me I had pushed the referee I went into his room and apologised."

In fact Back is shown by the video to have been standing alongside Lander when he blew the final whistle.



Surrey's Graham Thorpe is bowled by Martin McCague at The Oval, Report, page 22

Photograph: David Ashdown

Symonds hints at England

Cricket

DEREK HODGSON reports from Bristol India 406 & 144-6 dec Gloucestershire 251-4 dec & 153-4 Match drawn

An hour after Gloucestershire had announced that a statement on Andrew Symonds' future - is he English or is he Australian? - would come at the end of the season, the player dropped the broadest hint that he sees any Test future with England.

Symonds has refused to speak to the English media, but in an interview with an Indian journalist, Joseph Hoover of the *Deccan Herald* of Bangalore, he said: "I'd like to play Test cricket, but first I want to play to the best of my ability and establish myself at first class. Then if they [England] give me a break, I'd be happy to play."

Symonds did not advance his Test future greatly yesterday, adding 28 in the second innings after his 120 not out in the first, as both sides declared in an effort to win. Mark Alleyne, captain in the absence of Courtney Walsh and Jack Russell, declared overnight, 155 behind.

The pitch showed signs of wear on a crisp morning, and India had lost both openers for 22 by the seventh over. Sauran Ganguly was more circumspect at one end while the pursuit continued at the other. When Dickie Davis appeared, he won some turn and took a fine return catch to dismiss Mohammad Azharuddin. He might have had more wickets had fielders been able to hang on to two difficult chances.

Gloucestershire looked vigorous and alert in the field, but once committed to the chase, 300 to win in a minimum of 60 overs, were less certain. Against Jagavallu Srinath and Bapu Pra-

sad, both seaming the new ball, any hopes of a chase were lost in the clutter of falling stumps.

Rob Dawson was caught behind off Prasad's first ball; Monte Lynch lost his off stump to Srinath before Hewson suffered a similar fate at the other end; 6 for 3 in four overs. That brought in Symonds to join Tim Hancock and, for perhaps two overs, the county looked to be still hunting. But at 63, India's relief seamer Ganguly won extra bounce and Symonds, half forward, was hit on the thigh. Up went Ray Julian's finger and off wandered Symonds.

Five overs later, Hancock tried and failed to lift the slow left-arm Sagi Raju over long off and the question then became: "Could India win?" Davis and Jon Lewis hung on for 20 overs before Lewis, 22 not out, took India into the 66th over and the draw.

More reports, Scoreboard, page 22

Ghana accuse LTA of 'racism'

Tennis

JOHN ROBERTS

The Lawn Tennis Association has failed in its attempt to buy home advantage from Ghana for Britain's second round Davis Cup tie the weekend after Wimbledon, amid rumblings of "racist undertones".

Rejecting the LTA's approach, which was made after David Lloyd, the British captain, had expressed concern about the health of his players, the Ghanaian Tennis Federation said it wanted "to give our fans the chance to see the match".

Accra's state-owned Daily Graphic took a stronger line.

"Certainly the racist undertones in the request by the British Davis Cup team can hardly be missed," the newspaper said, "and it is sad to reflect that such effusions should come from the country that disregarded the threat of illness to colonise Ghana, then called the Gold Coast."

"In a way, however, we understand the fear of the British Davis Cup team, coming from a country now afflicted by the mad cow disease. They know Ghana is one of the countries which imports British beef and are, therefore, likely to be served British beef while they are in Accra."

The LTA, with the permission of the International Tennis Federation, had offered to pay Ghana's expenses - estimated at around £25,000 - if they would agree to switch the Euro/African Zone Group Two tie.

Lloyd said yesterday: "If the match had been in Honolulu I would have done exactly the same, because it's an impossible schedule. We thought it might be mutually beneficial."

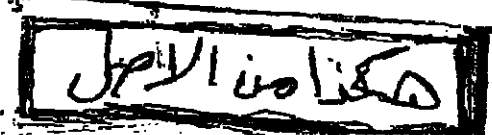
"It happens in football and it's happened in tennis before. I thought it would have been a great opportunity for the people of Ghana to see the last few days of Wimbledon. But if they don't want to do it, then, of course, it's up to them."

Italian Open, page 23

MORSE



Just announced
 Sun's new
 Desktop
 With reliable
 storage
 will blow
 Call for



THE INDEPENDENT CROSSWORD

Adding to
 When you wish to sell
 jewellery, you can count
 on our professionalism,
 discretion and fair market
 prices. We pay in cash, without
 changing conditions. We're
 always happy to add to our
 stock... and our reputation.

BENTLEY & CO
 8 New Bond Street, London W1. Tel: 0171 629 0651

No. 2986, Tuesday 14 May By Aesd 5

1	2	3	4	5	6	7	8
9	10	11	12	13	14	15	16
17	18	19	20	21	22	23	24
25	26	27	28	29	30	31	32

- ACROSS**
- Homework about Roman law is to cause bewilderment (7)
 - Representatives will get support and specially made seat (7)
 - Team responsible for The Armistice? (7)
 - Picky type takes British walk (7)
 - The old woman has some movement (9)
 - Yet time for a race? (5)
 - Chicks for local taxes (5)
 - A host, dripping by river needs a drier (4,5)
 - Effect of injury in Leeds, bone broken (4,5)
 - Could be worth having a go? (5)
 - Move camera to follow one
- DOWN**
- Much talk about Latin dish (7)
 - High regard of some mature spectators (7)
 - Reportedly feline connections (5)
 - Origin of music college's uniform, put up to make use of stone? (9)
 - conservative in alarm (5)
 - Wife taken by Ag? (5,4)
 - Thomas hit back at a lottery? (7)
 - A religious leader joins one for particular argument (1,6)
 - Name is wrong, one's suffering from this? (7)
 - It keeps one's means of entry in crucial bit of Wagner? (3,4)

Win a Bentley & Co silver rose bowl worth £125
 CALL 0891 311 017

When you have the answers to the first three clues across AND the first three clues down phone 0891 311 017 and leave your answers with your name address and daytime telephone number by midnight tonight. Calls cost 39p per minute plus VAT, 49p per minute all other times. Winners will be selected at random from all correct entries received. No cash alternative. Normal Newspaper Publishing rules apply. Editor's decision is final.